PAPERS

RESPECTING

THE NEGOCIATION

BETWIXT

HIS MAJESTY'S GOVERNMENT

AND

THE EAST INDIA COMPANY,

FOR

A RENEWAL OF THE EXCLUSIVE PRIVILEGES

THAT COMPANY HAS ENJOYED.

Ordered to be printed 15*th April* 1812.

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LIST OF PAPERS.

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No. II. Letter from the Right Honorable Robert Dundas to the Chairman and Deputy Chairman, dated the 30th September 1808, referred to in the preceding Minute.

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No. V. Minute of a Secret Court of Directors, held on Friday, the 16th December 1808, and Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, dated the ſame Day.

No. VI. Minute of a Secret Court of Directors, held on Friday, the 13th January 1809, and Letter from the Right Honorable Robert Dundas to the Chairman and Deputy Chairman, dated the 28th December 1808.

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No. XVIII. Minute of a Meeting of the Deputation, the 3d March 1812.

No. XIX. Minute of a Secret Court of Directors, held on Friday, the 6th March 1812.

No. XX. Hints approved by the Committee of Correſpondence, and ſubmitted to the Conſideration of the Right Honorable Lord Viſcount Melville, noticed in the preceding Minute.

No. XXI. Minute of a Secret Committee of Correſpondence, the 18th March 1812.

No. XXII. Correſpondence with the Right Honorable Lord Viſcount Caſtlereagh, noticed in the preceding Minute, viz.

Letter from the Chairman and Deputy Chairman to the Right Honorable Lord Viſcount Caſtlereagh, dated 2d December 1803.

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Letter from the Right Honorable Lord Viſcount Caſtlereagh to the Chairman and Deputy Chairman, dated the 20th December 1803.

Letter from the Chairman and Deputy Chairman, to the Right Honorable Lord Viſcount Caſtlereagh, dated 7th July 1804.

Letter from the Right Honorable Lord Viſcount Caſtlereagh, to the Chairman and Deputy Chairman, dated the 12th September 1804.

No. XXIII. Minute of a Secret Court of Directors, held on Wedneſday the 18th March 1812.

No. XXIV. Letter from the Deputation to the Right Honorable Lord Viſcount Melville, dated the 18th March 1812, noticed in the preceding Minute.

No. XXV. Letter from the Deputation to the Right Honorable Lord Viſcount Melville, dated the 19th March 1812, alſo noticed in the preceding Minute.

No. XXVI. Minute of a Secret Court of Directors, held on Tueſday the 24th March 1812.

No. XXVII. Letter from the Right Honorable Lord Viſcount Melville, to the Chairman and Deputy Chairman, dated the 21ſt of March 1812, noticed in the preceding Minute.

No. XXVIII. Obſervations on the Hints ſuggeſted by the Deputation of the Court of Directors, the 3d March 1812, adverted to in the foregoing Letter.

No. XXIX. Letter from the Right Honorable Lord Viſcount Melville to the Chairman and Deputy Chairman, dated the 23d March 1812, alſo noticed in the Minute above-mentioned.

PAPERS, &c.

No. I.

At a Secret Committee of Correſpondence, the 5th October 1808.

READ a letter from the Right Honorable Robert Dundas to the Chairs, dated the 30th September, deſiring to aſcertain the opinion of the Court, as to the propriety and expediency of bringing forward, in the next ſeſſion of Parliament, the ſubject of renewing the Company's Charter.

No. I.

Secret Committee, 5 Oct. 1808.

The Committee having deliberated thereon, agreed on the ſubſtance of an anſwer, to be further conſidered at their next meeting.

No. II.

Letter from the Right Honorable Robert Dundas to the Chairman and Deputy Chairman, noticed in the preceding Minute.

No. II.

Mr. Dundas's Letter.

GENTLEMEN, Melville Caſtle, 30th September 1808.

THE propriety and expediency of applying to Parliament for a renewal of the privileges of excluſive trade enjoyed by the Eaſt India Company, with ſuch modifications as may be deemed neceſſary, and for the continuance of the ſyſtem of government in the Britiſh Territories in India on its preſent baſis, but with ſuch amendments, alſo, as the experience of its effects may appear to demand, having lately been the ſubject of frequent conſideration and diſcuſſion, you will probably concur with me in opinion, that it is adviſeable now to aſcertain, whether the Court of Directors are deſirous of agitating the queſtion at preſent, and of ſubmitting it, in all its details, to the early conſideration of Parliament.

I have the honour to be, Gentlemen,
Your moſt obedient and humble ſervant,
(Signed) ROBERT DUNDAS.

To the Chairman and Deputy Chairman
of the Eaſt India Company.

No. III.

At a Secret Committee of Correſpondence, the 12th October 1808.

AGREED to the following Draft of an anſwer to the letter of the 30th ultimo, from the Right Honorable Robert Dundas.

No. III.

Secret Committee, 12 Oct. 1808.

Chairman and Deputy's Letter.

(Secret.)

SIR, Eaſt India Houſe, 12th October 1808.

WE now propoſe to do ourſelves the honour of replying to your letter of the 30th of laſt month.

From the communications we have at different times had with the Members of the Court of Directors, we are well aſſured it is the general ſenſe of that body, that it will be for the intereſt of the Public and the Company, that the Charter ſhould be

No. III.

Chairman and Deputy's Letter.

early renewed. Convinced that this is their opinion, and apprehenſive leſt inconvenience might be produced, by ſetting this important ſubject afloat before it was in ſome degree matured, we have not thought it neceſſary formally to reſort to the Court for a declaration of their judgment upon the queſtion you are pleaſed to propoſe to us; but we have, in order to obtain what we conceive to be, with the knowledge we before poſſeſſed, ſufficient warrant to us to give an anſwer to your preliminary enquiry, laid your letter before a Secret Committee of Correſpondence: and we are authorized to ſtate it to be their opinion, as it is our own, not only that the intereſts of the Public, as well as of the Company, will be beſt conſulted, by continuing the preſent ſyſtem of Indian adminiſtration, but that it is material the Charter ſhould be ſpeedily renewed.

With reſpect to any modifications which you or His Majeſty's Government may have it in contemplation to propoſe, we ſhall be happy to be made acquainted with them, and to bring them under the moſt ſerious conſideration of this Houſe. We can at preſent only ſtate, that we truſt there will be no diſpoſition to introduce any change, that would alter or weaken the main principles and ſubſtance of the preſent ſyſtem, which, in the opinion of the Company, is eſſential to the due management and preſervation of Britiſh India; and that, with reſpect to minor points, as far as they may be really compatible with thoſe eſſential objects, the Court will not be influenced by any partial views to withhold from them the fair conſideration due to them.

Glad that you have ſeen it proper to bring forward this weighty ſubject, and deſirous to be favored with your further communications upon it, as ſoon as may ſuit your convenience,

We have the honor to be, Sir,
Your moſt obedient humble ſervants,
(Signed) EDWARD PARRY,
CHARLES GRANT.

The Right Honorable Robert Dundas,
&c. &c. &c.

No. IV.

At a Secret Court of Directors, held on Wedneſday, the 7th December 1808.

No. IV.

Secret Court, 7 Dec. 1808.

THE Chairman laid before the Court Minutes of a Secret Committee of Correſpondence, held the 5th October laſt;

Letter from the Right Honorable Robert Dundas to the Chairs, dated the 30th September laſt, referred to in the Minutes above-mentioned;

Minutes of a Secret Committee of Correſpondence, held the 12th October laſt; and

Draft of a Letter from the Chairs to Mr. Dundas, dated the ſame day.

It was then, on a motion, reſolved unanimouſly, That this Court approve the proceedings of the Secret Committee of Correſpondence, of the 5th and 12th October, and the Letter to the Right Honorable Robert Dundas of the laſt-mentioned date.

No. V.

At a Secret Court of Directors, held on Friday, the 16th December 1808.

No. V.

Secret Court, 16 Dec. 1808.

MINUTES of the 7th inſtant were read and approved.

Draft of a letter from the Chairman and Deputy to the Right Honorable Robert Dundas, offering ſome ſuggeſtions of a general nature, as the principal foundations on which a new agreement between the Public and the Eaſt India Company may be placed, was read and unanimouſly approved, being as follows, viz.

SIR,

No. V.

Chairman and Deputy's Letter.

SIR, East-India House, the 16th December 1808.

IN consequence of a conference which we lately had the honor to hold with you, we had laid before the Court of Directors the letter which you were pleased to write to us, under date the 30th September last, on the subject of renewing the Company's Charter, together with the answer which we returned to that letter, on the 12th October following; and we are now instructed by the Court to state to you, that they approve of that answer, and are ready to enter with you, through the medium of their Committee of Correspondence, into a consideration of the various objects to which it may be proper to attend, and bringing forward so important a measure.

At the present moment it would, in the opinion of the Court, be premature in them, to proceed to any detailed specification of those objects, to which it may be proper, on the part of the Company, to attend, or to anticipate any discussions, which it may be the wish of His Majesty's Ministers to propose; but the Court beg leave to offer some suggestions of a general nature, as the principal foundations on which a new agreement between the Public and the East-India Company may be placed.

1st. The system by which the Legislature has continued to the Company the government of the territories acquired by it in the East, with regulated monopoly of the trade, has been held by the most eminent persons conversant with that quarter and its affairs, to be the most expedient, both for the foreign and domestic interests of this country. Under it those territories have been improved, and the securityand happiness of the vast population they contain have been signally increased. It is also a system which establishes salutary checks for the exercise of the authority lodged in this country over the Indian administration, and for all the local details of that administration, in its political, judicial, financial, and commercial departments; and provides with singular felicity for a succession of a body of able and honorable European servants, who yield in general character and utility to no class of public functionaries under the Empire. In like manner, the constitution of the Indian army has proved itself calculated to produce a body of officers of high military spirit, and of very distinguished skill and conduct. The Court, therefore, trusts that no material change in this system;—no change which would affect its principles or impair its efficiency, will be proposed.

2d. In this case, it will be unnecessary to enter into any discussion of the right of the Company to the territorial possessions; a right which they hold to be clear, and must always maintain, as flowing from their acquisition of those territories, under due authority, and after long hazards and vicissitudes, and great expense.

3d. The situation of the Company is, at this time, very different from what it was at the last renewal of the Charter, in 1793. European war, with hardly any intermission, through the whole of the period that has since elapsed, has exceedingly encreased the expenses, and reduced the profits of the Company at home; and has likewise enlarged the scale of expenses abroad; where, moreover, wars with the Native Powers have been repeatedly carried on, to the vast accumulation of the Indian debt, now advanced from eight million sterling, at which it stood in 1793, to about thirty-two millions. Without meaning at all to advert, in this place, to the question concerning the policy of some of those wars with the Princes of India; it is safe and proper to affirm, that they were not, in any degree, directed by the Executive Body of the Company, but proceeded from causes which that body could not control. As, in consequence of all the events which have happened since the year 1793, the benefits intended to the Proprietors of East-India Stock, by the Charter then passed, have not been realized; so the Court trust, that in the formation of a new Charter, due care will be taken to secure their proper share of advantage in any future amelioration of the Company's affairs, and especially that no measure will be adopted, which can have the effect of reducing the value of their capital stock. The dividend on that stock, which is only equivalent to the legal interest of money, is all that the Proprietors have ever received from the united sources of Indian revenue and Indian commerce, whilst the country has been enriched by the long continued influx of private wealth, and raised in the scale of nations by the political importance of the Indian empire.

4th. The

No. V.

Chairman and Deputy's Letter.

4th. The liquidation of the Indian debt is, on all hands, agreed to be a meafure of indifpenfable neceffity. From the magnitude to which the debt has now rifen, and the circumftances of the prefent unexampled time, the aid of the Public will probably be neceffary to the attainment of this moft defirable object. For the aid that may thus be afforded, the Court conceive that fufficient means of reimburfement from the Indian territory and revenue may be found; and the arrangement of a plan, for thefe purpofes, might, as the Court conceive, form a very material part of the provifions of the new Charter.

5th. To apportion duly between the Public and the Company the military expenfes of the Indian empire, is another meafure now become unavoidable. For wars growing out of the Indian fyftem, or out of fources purely Indian, the revenues and other means of the Company were long made to fuffice, including even the charges of occafional attacks upon the Indian fettlements of Eurorean nations; but the influence of European war has, in the prefent protracted period of hoftility, extended itfelf more and more to India, occafioning the expenfe of various diftant expeditions, and the encreafe of the military eftablifhment, particularly in the European troops of his Majefty, which, from being twenty years ago only a very few regiments, now amount to above twenty thoufand men, and thofe of the moft expenfive defcription of troops compofing the military force of Britifh India: nor is at all improbable, that from the avowed defign of France to invade our Indian poffeffions with great armies by land, it may be neceffary ftill largely to augment our European force in that quarter. For a war of this defcription the Indian revenues, if unincumbered with debt, would be very inadequate. It would be an European war for European objects; a ftruggle between Great Britain and France, on the foil of India, for the maintenance and fupport of their power in Europe. For fuch an object, to which the national funds only are commenfurate, the national funds undoubtedly ought to provide; and as we know that, in this, we ftate only what your own mind has already perceived and approved, we the more confidently hope, that in a new Charter proper attention will be paid to the due regulation of fo important a concern.

6th. As the early renewal of the Charter will ferve to ftrengthen the hands of the Company in the tranfaction of their affairs, and improve their credit, fo its renewal, for the like period as the prefent one run, and from the Time of its expiration, would conduce to the fame ends; and the Court are not aware of any objection to the propofition of this term.

We have the honor to be, Sir,
Your moft obedient humble fervants,
(Signed) EDWARD PARRY,
CHARLES GRANT,

The Right Honorable Robert Dundas,
&c. &c. &c.

No. VI.

At a Secret Court of Directors, held on Friday, the 13th January 1809.

No. VI.

Secret Court, 13 Jan. 1809.

Mr. Dundas's Letter.

Letter from the Right Honorable Robert Dundas, dated the 28th December laft, to the Chairman and Deputy, in reply to their letter of the 16th December, was read, viz.

Gentlemen, Downing Street, 28th December 1808.

In fubmitting to your confideration fuch obfervations as have occurred to me on your letter of the 16th inftant, it is neceffary that you fhould underftand them to be merely preliminary, in contemplation of future difcuffions, and by no means as the refult of any plan or projected fyftem, matured in concert with His Majefty's confidential Servants. It will depend on the judgment which the Court of Directors may form on the propriety or neceffity of adhering to the prefent fyftem of their Indian trade and adminiftration in all its parts, whether I fhall be enabled to hold out to them any expectation, that their application to Parliament for a renewal of the Company's Charter will meet with the concurrence of Government.

I fhall

No. VI.

Mr. Dundas's Letter.

I ſhall follow the order adopted in your letter, in reſpect to the ſubjects which you have particularly mentioned, and ſhall offer ſome additional remarks on any other important branches of the preſent ſyſtem, in which alterations may probably be deemed indiſpenſably neceſſary.

1ſt. Concurring in ſubſtance with the propoſition contained in the firſt article, I ſhall not enlarge upon its details. I have not yet heard or read any arguments againſt the continuance of the ſyſtem under which the Britiſh Poſſeſſions in India are governed, of ſufficient weight to counterbalance the practical benefits which have been derived from it, in their increaſed and increaſing proſperity, and the general ſecurity and happineſs of their inhabitants. It is poſſible that the ſame effects might have been produced under a government immediately dependent on the Crown; but for the attainment of thoſe objects, the experiment is, at leaſt, unneceſſary, and it might be attended with dangers to the Conſtitution of this Country, which, if they can be avoided, it would be unwiſe to encounter. Any alteration, therefore, which may be ſuggeſted in this part of the ſyſtem, will probably be only in its details. It may, however, be deemed adviſable, to extend the controuling authority of the Board of Commiſſioners to ſuch proceedings of the Court of Directors in England, as are immediately connected with the government or revenues of the Company's territorial poſſeſſions in India, more eſpecially, if the ſuggeſtion contained in your fourth article ſhould be adopted.

2d. In the view which I have already taken of the propoſition contained in the preceding article, it is certainly unneceſſary to diſcuſs the queſtion of the Company's right to the permanent poſſeſſion of the Britiſh territories in India. It is impoſſible that this right ſhould be relinquiſhed on the part of the Public, or that a claim can be admitted on the part of the Company, to the extent which has ſometimes been maintained, and to which you ſeem to have adverted in the ſecond article.

3d. It is equally impoſſible to acquieſce in all the reaſoning, though I am perfectly willing to concur in the concluſion deduced from it in the third article. I think it very deſirable, that no meaſure ſhould be adopted, in the renewal of the Charter, which would have the effect of reducing the value of the capital ſtock of the Eaſt-India Company, and that due care ſhould be taken to ſecure their proper ſhare of advantage, in any future amelioration of their affairs; but as the law has regulated the mode in which thoſe affairs, at home and abroad, ſhould be adminiſtered, I cannot enter into the diſtinction which is ſtated in this article, and which I have met with on other occaſions, as to the equitable claim of the Company to any remuneration from the Public, or other benefit, on account of wars, or other events which, as repreſented in your letter, did not originate in "the Executive "Body of the Company, but proceeded from cauſes which that Body could not "controul."

It would be permature, in this ſtage of the diſcuſſion, to enter into any details, as to the proportion of benefit to be derived by the Company or the Public, reſpectively, from any future amelioration in the ſtate of your finances; and any contingent expectation of that nature muſt, at all events, be poſtponed, till a large portion of the Indian debt has been diſcharged.

4th. The liquidation of that debt is undoubtedly a meaſure of indiſpenſable neceſſity, not only to the Company but to the Public. If we were now called upon to diſcuſs the right of the Public to the territorial revenues which have been obtained in India, either by ceſſion or conqueſt, it would be impoſſible to relieve the queſtion from the fair claims of the Company and their creditors to a reimburſement of the expences which have been incurred, and the diſcharge of the debts which have been contracted, in the acquiſition and maintenance of thoſe poſſeſſions. Entertaining that opinion, and convinced that the liquidation of the Indian debt, in the moſt ſpeedy and effectual mode, would be a meaſure of mutual intereſt and advantage, I do not ſuppoſe that your ſuggeſtion in the fourth article would be objected to by Government, provided the neceſſity, or at leaſt the expediency of ſuch an interference, on the part of the Public, is made obvious and apparent, and provided, alſo, that ſufficient ſecurity is afforded for the punctual payment of the intereſt, and of an adequate ſinking fund, for the liquidation of the principal of any ſums advanced for that purpoſe. I need not remind you, however, that any ſuch aid from the

No. VI.

Mr. Dundas's Letter.

Public will be unavailing, and the relief afforded by it will be temporary and delufive, unlefs by the zealous exertions of your Governments abroad, and the minute and detailed inveftigation and unremitting attention of the Court of Directors, the ordinary expenditure in India, including the intereft of debt, fhall be brought within the limit of your annual income. The moft fanguine expectations of a refult even more favorable, and of a large furplus revenue above your ordinary expences in time of peace, have recently been conveyed to you by Lord Minto; but I truft that the Court of Directors will not be induced by thofe hopes, however well founded, to relax in their exertions. Every item of thofe, or any other eftimates, which the Court may exhibit, muft be ftrictly fcrutinized and compared with the actual refults of former years, and with the detailed account of any reductions which may have been ordered or carried into effect.

5th. I can have no hefitation in acceding, with fome limitations, to the principle for which you contend in your fifth article. It is abfurd and unreafonable to fuppofe, that the Eaft India Company, out of their own revenues, can long maintain a conteft againft the power of France, aided by the greater part of Europe and a large portion of Afia. If the principal theatre of the war between European nations is to be transferred to Hindoftan, it muft be fupported, to a confiderable extent, by European refources; and if our empire in India is an object worth preferving, this country muft contribute to its defence, againft any attack of the defcription which we have been taught to expect. The extraordinary expences incurred in the neceffary preparations for fuch a warfare, or in the actual conteft, ought not, in juftice, to be impofed as a burthen on the Company alone, even if they were able to fuftain it.

6th. I am not aware of any reafon for extending the duration of the Charter beyond fuch a limit, as, with the unexpired term, will be equal to the period granted in 1793; but I ftate this merely on the firft confideration of the fubject; and if the general queftion is to be difcuffed, I fhall pay due attention to any fuggeftions which the Court may think it right to offer on that particular point.

Having thus adverted, at greater length perhaps than was neceffary, to the various topics introduced into your letter, I fhall proceed to ftate fuch obfervations as appear to me neceffary to be fubmitted to the confideration of the Court of Directors, for the purpofe of enabling them finally to decide, whether, under the circumftances of the prefent fituation of the Company's affairs, and of the expectations which will probably be entertained by the Public, and fanctioned by Government, they will adhere to their intention of applying now to Parliament for a renewal of the Company's Charter.

It will readilly occur to the Court, that whenever an opportunity is afforded of deciding in Parliament on the propriety of continuing in the Company any privileges of a commercial nature, it will be important to confider, whether the fyftem eftablifhed by the Act of 1793, for the trade of private individuals between Britain and India, has anfwered the expectations, or fulfilled the intentions of the Legiflature. It is wholly unneceffary for me, at prefent, to enter into any detail of the various difcuffions which have taken place on that fubject. The arguments on both fides of the queftion muft be familiar to the Court, and the opinions of thofe perfons who have turned their attention to it have, in all probability, been long fince fixed and fettled: it is fit, therefore, that the Court fhould now underftand diftinctly, that I cannot hold out to them the expectation, that His Majefty's Minifters will concur in an application to Parliament for a renewal of any privileges to the Eaft-India Company, which will prevent Britifh merchants and manufacturers from trading to and from India, and the other countries within the prefent limits of the Company's exclufive trade (the dominions of the Empire of China excepted), in fhips and veffels hired or freighted by themfelves, inftead of being confined, as at prefent, to fhips in the fervice of the Company, or licenfed by the Court of Directors. In the detail of any legiflative provifions which it might be expedient to enact on this fubject, it would be abfolutely neceffary to guard againft the abufes which would arife, from facilities thus afforded to perfons attempting to fettle and refide in the Britifh territories, without a licenfe from the Company, or without the fanction or knowledge of the local Governments.

There

There are various other points to which it would alſo be neceſſary to pay due attention, not only as being important to the Company and to the general trade of the country, but eſſential to the ſecurity and eaſy collection of the public revenue. It would obviouſly, however, be premature on this occaſion to enter into any further detail, and I have confined myſelf to a mere ſtatement of the general propoſition. No. VI. Mr. Dundas's Letter.

Another point, which would probably be deemed indiſpenſable, is an alteration in the military ſyſtem in India, for the removal of thoſe jealouſies and diviſions, which have unfortunately been too prevalent, between the different branches of the military ſervice in that quarter, and which muſt, at all times, be highly prejudicial to the public intereſt; and for the correction of the anomalous ſyſtem of divided reſponſibility, which prevails at preſent in this country, in every thing that relates to the military defence of India. The only effectual remedy for theſe evils will, probably, be found in arrangements for conſolidating your Indian army with the King's troops, founded upon the plan ſo ſtrongly recommended by Lord Cornwallis, with ſuch modifications as the actual conſtitution of your ſervice may render expedient or neceſſary. Theſe arrangements need not be attended with any alteration in the ſyſtem of promotion now in operation among the officers of the native branch of the ſervice, or with any diminution (they might more probably produce an increaſe) of any other profeſſional advantages which thoſe officers now enjoy; neither would they, in any degree, interfere with the general authority now poſſeſſed by the Court of Directors and the Governments in India over all His Majeſty's forces ſerving in thoſe parts, or with their controul over all diſburſements of a military nature. I am, moreover, not aware of any reaſon againſt continuing in the Court of Directors the nomination of all cadets deſtined to hold commiſſions in the Indian army.

Having thus ſtated to you, for the conſideration of the Court of Directors, the principal points to which I was deſirous of drawing their attention upon this occaſion, I have only to aſſure you, that it will be the earneſt deſire of His Majeſty's Government, to ſuggeſt to Parliament ſuch a ſyſtem only, as ſhall be conformable to the principles on which the regulations of 1784 and 1793 were founded, as will ſecure to this kingdom all the benefit that can practicably be derived from its trade with our poſſeſſions in India, and to the natives of thoſe countries a government, and an adminiſtration of laws, ſuited to their cuſtoms, habits, and prejudices, and conſiſtent with the Britiſh character, and which ſhall alſo be ſtrong and efficient, without adding unneceſſarily to the authority of the Executive Government at home, or increaſing, to any dangerous extent, the influence of the Crown.

I have the honour to be, Gentlemen,
Your moſt obedient humble ſervant,

To the Chairman and Deputy Chairman of the Eaſt-India Company. (Signed) ROBERT DUNDAS.

Draft of a propoſed letter, in reply, prepared by the Committee of Correſpondence, was alſo read,

Reſolved, That the ſaid draft be taken into conſideration on Tueſday next, the 17th Inſtant.

No. VII.

At a Secret Court of Directors, held on Tueſday, the 17th January 1809.

THE draft of a propoſed letter to Mr. Dundas, which was read the 13th inſtant, being again read; No. VII. Secret Court, 17 Jan. 1809.

Reſolved unamiouſly, That this Court approve the ſaid letter

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No. VIII.

Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, noticed in the preceding Minute.

No. VIII.

Chairman and Deputy's Letter.

Sir, East India House, 13th January 1809.

THE letter which you did us the honor to addrefs to us, on the 28th of laft month, on the important fubject of a renewal of the Company's Charter, has received the moft ferious confideration of the Court of Directors, and we are, by their unaminous refolution, inftructed to fubmit to you the following anfwer to it.

The Court having, in the letter which we had the honor to addrefs to you on the 16th of laft month, thought it fufficient to fketch the outlines of thofe principles and propofitions which fhould, in their opinion, form the bafis of a new Charter, and the reply you have been pleafed to make to it, declaring the fame intention of ftating obfervations merely preliminary, and "not the refult of any "plan, or projected fyftem, matured in concert with His Majefty's confiden- "tial Servants," our prefent letter will abftain from any difcuffion of minor points, thofe efpecially relating to the proceedings of the Court of Directors with fervants of the Company returned from India, to which article your letter is underftood to allude; and likewife from fome other points, connected with the exercife of their authority at home, which may be found to require revifion and modification. Neither can it be neceffary to go now into the fubject of Indian Expenditure, although it is impoffible, after the notice taken of it in your letter, to omit faying, that the Court feel with the livelieft folicitude, how indifpenfable it is to reduce that article far below the income, and are determined to act accordingly.

The attention of the Court will, therefore, be confined, at prefent, to two propofitions of the higheft importance, contained in your letter; the one fuggefting fuch an enlargement of the trade of individuals with Britifh India, as fhall admit into it indifcriminately the merchants and the fhips of this country; and the other the transfer of the Company's Indian army to His Majefty. If thefe propofitions had not been accompanied by the declaration with which your letter concludes, they would have filled the Court with the deepeft concern; but you are pleafed to clofe the whole of your obfervations with an affurance, "that it will be the earneft defire "of His Majefty's Government to fuggeft to Parliament fuch a fyftem only, as fhall "be conformable to the principles on which the regulations of 1784 and 1793 were "founded, as will fecure to this kingdom all the benefit that can practicably be derived "from its trade with our poffeffions in India, and to the natives of thofe countries a "government and an adminiftration of laws, fuited to their cuftoms, habits, and "prejudices, and confiftent with the Britifh character, and which fhall alfo be ftrong "and efficient, without adding unneceffarily to the authority of the Executive "Government at home, or increafing, to any dangerous extent, the influence of "the Crown." Satisfied, by this declaration, that His Majefty's Government underftand the interefts of this country and of Britifh India too well, to intend any alteration that would fubvert or endanger the fyftem by which thofe vaft poffeffions have been acquired, governed, and improved, and by which alone they can be held, to the mutual benefit of their immenfe population and of the paramount ftate, the Court muft, of courfe, believe, that the propofitions which have juft been quoted, are fuppofed to be compatible with the continuance of that fyftem, or reducible to a confiftency with it. Thefe fuppofitions the Court are now called upon to examine, and they will endeavour to do fo with the refpect due to the authority with which they have to treat, with the duty which they owe to their conftituents, and with that regard for the interefts of their country, which they do not intend, nor feel themfelves required to fink, in fupporting the integrity of the prefent Indian fyftem.

If either of the two propofitions, refpecting the Indian trade and the Indian army, were to be acted upon, in the fenfe which the terms of it feem obvioufly to convey, the Court have no hefitation in declaring their decided conviction, that it would effectually fuperfede and deftroy, not merely the rights of the Eaft India Company,

Company, but the ſyſtem of Indian adminiſtration, eſtabliſhed by the Acts of 1784 and 1793; and with reſpect to the latter propoſition, for the transfer of the native army, it appears to be incapable of any modification, which would not ſtill make the overthrow of the preſent ſyſtem the certain conſequence of it. The Court will take the liberty to ſtate the reaſons on which theſe opinions are founded, with as much fulneſs as the bounds of a letter, and the diſpatch neceſſary at this period, will permit, premiſing only, that in the time and ſpace to which they muſt now confine themſelves, many things, belonging to the conſideration of both ſubjects, muſt be omitted. No. VIII.

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With reſpect to the Private Trade, the Company are not governed by narrow conſiderations of commercial profit or commercial jealouſy; and, in fact, the Indian trade, as an object of gain, has gradually ceaſed to be of importance, either to the Company or to individuals. The admiſſion into it already accorded to Britiſh reſidents in India, with the prodigious increaſe of the cotton manufactures of Europe, the changed circumſtances of the European Continent, and the almoſt inceſſant wars which have prevailed for the laſt ſixteen years (wars ſtill without any near proſpect of termination) have reduced the value of that trade to a very low point. The Court are actuated by a thorough perſuaſion, that the unlimited freedom, for which ſome perſons have, of late years, contended, would have political conſequences more injurious to the power of this country and of Britiſh India, than the advantages anticipated by ſanguine minds, from an enlargement of the commerce, could compenſate, if thoſe advantages were to be realized; and that, moreover, the expectation of ſuch advantages is unfounded, reſulting from general preſumptions, which are contradicted by the nature of the Indian people, climate, and productions, and by the experience of more than two centuries.

In any ſcheme of intercourſe, purely commercial, between this Country and India, the leading objects muſt be to export as many as poſſible of our home manufactures, and to import thoſe commodities, which would either beneficially ſupply our own conſumption, or the demand of other countries, European or Tranſatlantic: and it is, no doubt, imagined by many perſons, that if the trade to India were perfectly free, theſe objects could be attained, in a degree extending far beyond its preſent ſcale. The ardour of individual enterprize, it will be thought, could find out channels, which the ſettled routine of a Company cannot explore, and carry on commercial operations more economically and expeditiouſly than ſuits with the habits of monopoly, whilſt our moſt active rivals in the Indian trade would thus be beſt counteracted. The preſent times, it will alſo be ſaid, peculiarly demand new attempts and diſcoveries in commerce, and His Majeſty's Government may very naturally wiſh, at ſuch a criſis, to procure for the country every poſſible facility for the Exertion of its commercial ſpirit, and the employment of its commercial capital. But before a change in its principle altogether novel, and obviouſly connected with national intereſts of the higheſt importance, is adopted, it ought to be ſeen, not only on what rational grounds the expectation of advantages entertained from it reſts, but to what conſequences ſo material a change might expoſe the country and its Indian dependencies.

Now, with reſpect to the benefits ſuppoſed to be derivable from opening the trade with India, it is, in the firſt place, to be obſerved, that no material enlargement, if any enlargement at all, is to be expected in the exports of our manufactures to that quarter. The records of the Company, for two centuries, are filled with accounts of their endeavours to extend the ſale of Britiſh products in India, and of the little ſucceſs which has attended them. The French, Dutch, and other European nations trading thither, have equally failed in introducing the manufactures of Europe there. This was not owing to their trading chiefly in the form of Companies: the Americans, who within the laſt twenty years have entered into the Indian commerce, and traded largely, not as a Company, but by numerous individuals, each purſuing his own ſcheme in his own way, in which courſe no part of the Eaſt is left unexplored, carry hardly any European manufactures thither, their chief article for the purchaſe of Indian goods being ſilver; and ſuch has been the ſtate of the trade from Europe to India ſince the time of the Romans. This ſtate reſults from the nature of the Indian people, their climate, and their uſages. The articles of firſt neceſſity their own country furniſhes, more abundantly and more cheaply than it is poſſible for Europe

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to ſupply them. The labour of the great body of the common people only enables them to ſubſiſt on rice, and to wear a ſlight covering of cotton cloth; they, therefore, can purchaſe none of the ſuperfluities we offer them. The comparatively few in better circumſtances, reſtricted, like the reſt, by numerous religious and civil cuſtoms, of which all are remarkably tenacious, find few of our commodities to their taſte, and their climate ſo diſſimilar to ours, renders many of them unſuitable to their uſe; ſo that a commerce between them and us cannot proceed far upon the principle of ſupplying mutual wants. Hence, except woollens, in a very limited degree, for mantles in the cold ſeaſon, and metals, on a ſcale alſo very limited, to be worked up by their own artizans for the few utenſils they need, hardly any of our ſtaple commodities find a vent among the Indians; the other exports which Europe ſends to India being chiefly conſumed by the European population there, and ſome of the deſcendants of the early Portugueſe ſettlers, all of whom, taken collectively, form but a ſmall body, in view to any queſtion of national commerce.

What is here ſaid does not relate only to thoſe parts of India where the Company have ſettlements or factories, but to all the ſhores that embrace the Indian Seas, from the Gulfs of Perſia and Arabia to the Eaſtern Archipelago. Many advocates for a free trade may ſuppoſe, that in ſo vaſt a range, numerous poſitions, favourable for the vent of European commodities, are ſtill unexplored; but they are not aware, that in the Britiſh Settlements, which themſelves extend on the weſt to Cambay, and on the eaſt to China, there are a number of merchants, native and European, who carry on what is called the coaſting trade of India, with great ſpirit, ſending their ſhips to every mart, inſular or continental, where any profitable commodities can be either ſold or bought. At all thoſe marts, European commodities have been tried by the enterprize of individuals. The little demand that has been found for them has been ſupplied; and reſidents, ſettled in India, can carry into ſuch parts the trade in European commodities, which it is now open to them to receive from this country, with more facility and advantage than merchants ſettled in England.

To theſe facts and obſervations, ariſing from the nature and circumſtances of the people and countries of India, one remarkable argument may be added, furniſhed by our own experience at home. In the Charter of 1793, proviſion was made for the export of Britiſh manufactures to India, by any individuals who might chooſe to embark in that trade. The Company were required to find them tonnage to a certain extent, which has always been allotted at a rate of freight cheaper outward, as well as for the returns, than the Company themſelves pay, or as the Court think, than private ſhips could furniſh it. But, in all the time that has elapſed ſince, very few applications, and theſe to a ſmall extent, have been made, for leave to export the woollens, metals, and other ſtaples of this country, on private account, the chief applications having been for the freight of wine, for the conſumption of Europeans: and this is not properly a Britiſh production, nor is it ſo much an increaſe in the trade, as a transfer of it to the private merchants from the commanders and officers of the Company's Ships, part of whoſe advantage uſed to ariſe from being the carriers of this commodity.

All theſe circumſtances, to which other corroborations might be added, the Court truſt will fully evince, that the entire opening of the Indian trade to the merchants of this country would not, in reality, extend in any conſiderable degree, if at all, the conſumption of Britiſh manufactures.

Let it be inquired, in the next place, whether the adoption of ſo great a change in our Indian ſyſtem, would be followed by the diſcovery of ſuch new and valuable productions of the Eaſt, as would ſerve materially to augment the trade of this country with the Continents of Europe and America; for, with regard to the ſupply of our home conſumption of Indian commodities, it cannot be aſſerted, that the importations already made by the Company and individuals do not abundantly ſuffice for it, or may not, at any time, be extended to the exigencies of the market; in which, it may be noted, that a preference is given to the cotton and ſilk manufactures of our own country, and to ſome of the tropical productions brought from our Weſt Indian Colonies. Nor can it be aſſerted, that new adventurers in the Eaſtern trade, fitting out from Great Britain, could, with any profit to themſelves, furniſh the home conſumption on cheaper terms than it is now ſupplied; for both the Company,

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pany, and Britiſh individuals reſident in India, muſt have an advantage over ſuch adventurers in the proviſion of goods there (Britiſh reſidents in the Freight alſo), and yet, of late, the great Indian ſtaple of cotton piece goods has been a loſing article in this country.

Now, as to the productions of India valuable for foreign commerce, the trade of Europeans, of different nations, to all parts of it, in the courſe of the laſt three centuries, may well be preſumed to have left little for diſcovery in that way. The Portugueſe, who, in their early time, ſpread themſelves along all the ſhores of the Eaſt, explored every conſiderable part of it, and they were followed by the Dutch, Engliſh, and French Companies, with their numerous eſtabliſhments, ſome of which extended inland to the Upper India. But the modern European merchants, reſident in the Eaſt, who have long been the chief navigators and adventurers in what is called the coaſting trade, have become well acquainted with the commercial capacity of every region waſhed by the Indian ſeas; ſo that many countries ſuppoſed here to be little known, becauſe little viſited by the ſhips of Europe, are familiar to them, and whatever Articles thoſe countries furniſh, valuable for the commerce of the Weſt, are already conveyed, through the medium of private or foreign trade, to Europe.

The chief commodities ſuited to the European market, which India has hitherto been found to produce, are ſpices, pepper, drugs, ſugar, coffee, raw ſilk, ſaltpetre, indigo, raw cotton, and above all, cotton manfactures of ſingular beauty and in endleſs variety. Theſe laſt have, as already intimated, formed, from time immemorial, the grand ſtaple of India; but from the riſe and excellence of ſimilar manufactures in Europe, particularly in our own country, and from the general impoveriſhment which wars and revolutions have brought upon the Continent of Europe, with the Obſtructions oppoſed, in much the greater part of it, to our Commerce, the Conſumption of the fine Fabricks of India has conſiderably decreaſed, and it is not likely that it can be reſtored to its former ſtandard. Spices, ſugar, and coffee, have been furniſhed chiefly from the Moluccas and Java, Dutch iſlands not in our poſſeſſion, nor, in a commercial view, worth the expenſe of conquering and keeping them. The cinnamon of Ceylon, now ours, may be brought, in ſufficient quantity for the ſupply of all Europe, in one or two of the Company's ſhips. Pepper is a very loſing article. Sugar has been of late imported from our territories; but the neceſſary expenſe of conveyance from ſo great a diſtance, prevents it from being profitable, and it can be much encouraged only at the expenſe of our Weſt India colonies. Raw ſilk and indigo, now produced in great perfection in Bengal and its dependencies, have been brought to that ſtate, by the expenſe incurred, and the ſupport afforded by the Company. Both are articles occupying little ſpace, in proportion to their value. The factories where the former is collected and prepared are in the hands of the Company, who have, in the courſe of many years, eſtabliſhed them with great labour and expenſe. They can furniſh not only all the raw ſilk this country requires, but much for the conſumption of the Continent, if it was poſſible to bring it there into competition with the raw ſilk of Italy, and the tonnage already employed by the Company is quite ſufficient for its importation from India. The indigo produced in Bengal and the adjacent Provinces is equal, probably, to three-fourths of the demand of all Europe, and may eaſily be raiſed to the whole demand; but the manufacture of this article is entirely, and the trade in it chiefly, in the hands of individuals, who need and require no ſhipping from this country, except what the Company provide, to convey to Europe, all that Europe can conſume of it. Saltpetre, furniſhed only from Bengal, is, for political reaſons, prohibited to foreigners, and exported excluſively in the ſhips of the Company; for the ſame reaſons, it could never be prudent to allow the private ſhips of this country to carry it away at pleaſure. Where then is the ſcope for the admiſſion of new ſhipping and new adventurers, without limitation, into the trade of India with Great Britain? In general, it may be obſerved, that the commodities which have hitherto come from that country, in a ſtate prepared for uſe, ſuch as the great ſtaple of cotton piece goods, being articles of luxury, can have only a limited conſumption, and that the demand for them could not be encreaſed at all in proportion to the number of new competitors that ſhould enter into the trade. The ſame may be ſaid of all kinds of ſpices and drugs, which, from their nature, have a limited conſumption; and, with regard to the important articles of raw ſilk and indigo, which require a further preparation before

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before they are ufed, there is already abundant provifion made for their importation, to the utmoft extent of demand.

There remains then to be confidered, of all the commodities above enumerated, only the raw material of cotton; and to this may be added another of high importance, which India is in time likely to produce abundantly, namely, hemp. Now, with refpect to the former of thefe, the Company have formerly imported it, and permitted private merchants to do fo; but it was found, that the cotton of India could not enter into competition with that produced nearer home, in the Brazils, the Weft Indies, and North America. Of late, fince the interruption of our trade with the laft mentioned country, the Company have themfelves commiffioned cotton from India, and have been willing to encourage individuals to export it from thence; but that it can fupport a competition with the cotton of Georgia, when the American embargo is taken off, or become an article of extenfive demand in this country, fupplied with it from fo many nearer quarters, is not very likely. The culture of hemp in India is yet in its infancy. A change in the circumftances of Europe may check it; but if it is not checked, years muft elapfe, before the quantity produced can form a confiderable article of exportation. And with regard to both thefe commodities of cotton and hemp, it is to be obferved, firft, that cargoes for Europe cannot be compofed of them only, fome other, more ponderous for its bulk, being neceffary for dead weight, and fugar, almoft the only article of this nature that India can fupply, muft generally be rather a lofing one: fecondly, it is to be obferved, that the private fhips ready to be employed in India, muft be abundantly fufficient for the fupply of all the tonnage that can be required for thefe articles, which could hardly abforb any very large amount of capital. Thus, then, it is alfo apparent, that the country and productions of India afford no new field of importance for the commercial enterprize of the merchants of Great Britain.

But were it indeed otherwife, where, in the prefent circumftances of the European Continent, could new commodities, imported into this country from India, find a vent, when many of thofe already made, and of articles which the Continent ufed to take off, remain in our warehoufes? And hence may appear the inapplicability of that argument, which has fometimes been urged in favour of enlarging, or rather opening the Indian trade to individuals, "that they fhould be allowed to bring "home the furplus produce of India which the Company did not require." There can be no room for additional importations, when the ordinary fcale proves too large. But in the ufe of this plaufible plea, refpecting furplus produce, there was always a great fallacy. It feemed to imply, that there was a ftock of commodities in India which continually remained undifpofed of, whereas nothing is more evident, than that the productions of any country will be regulated by the demand, and that no agriculturifts or manufacturers will go on from year to year to produce that for which they have no fale. The term, as connected with the Company, might alfo convey the idea, that they were the only purchafers in the country; whereas, at that very time, Britifh refidents and foreign nations had the privilege of exporting goods to the weftern world, and there was a great coafting and internal trade from one part of India to another. But the argument for permitting individuals to export the furplus produce, included fully, though not profeffedly, the principle of tranfplanting Britifh capital to India, in order to raife produce there; a principle which, it may be thought, this country has already carried fufficiently far in its other diftant dependencies, and which could not be applied to India without political confequences.

But it has been alledg d, that the refufal of the Company to make a conceffion, which appeared to them to be claimed on unfound premifes, and to be pregnant with danger, threw that trade, which might have been brought into the Thames, into the hands of foreigners, particularly the Americans, whofe great progrefs in the Indian trade, of late years, has been charged to an erroneous policy on the part of the Company. Nothing can be more miftaken than the whole of this ftatement. Several European nations having from the native fovereigns of India the right of poffeffing fettlements and carrying on trade there, a right which we had confirmed, we could not interrupt the exercife of it whilft they remained at peace with us; nor, therefore, divert from them whatever portion of the trade their means enabled them to embrace. And, with refpect to the Americans, they owe their advance-

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ment and fuccefs in the Indian trade to the treaty made with them by our Government in 1794, to the belligerent ftate of Europe fince that time, and, above all, to the neutral character they poffeffed, which enabled them to navigate more cheaply, more expeditioufly, as well as more fafely than our merchants or the Company could, and to fupply many parts of the European Continent and of South America, to which our fhips had no accefs. Thefe, with the increafe of the confumption of eaftern commodities among themfelves, are the true caufes of the growth of the American trade with India; and even the abolition of the Company's privileges would not have transferred the fhare they acquired of it to our merchants, becaufe it could not have leffened the advantages under which the Americans then carried it on, nor have gained us either the fupply of their internal demand, or admiffion to many ports which were open to them. What the Company could do, in the way of regulation, to reduce the inequality between the American traders and our own merchants, you know, Sir, was effected, as foon after the expiration of the treaty of 1794 as His Majefty's Government thought expedient.

Among the fpeculations of the prefent day, the idea may perhaps be fuggefted, of carrying the productions of India directly to the ports of Portuguefe and Spanifh America; and eagernefs for relief from the preffure which our commerce now feels, may be ready to make fo great a facrifice of the navigation laws. But fuch a meafure would effentially exclude the mother country from being the medium and emporium of our Indian trade; and whilft it ferved to enrich India, rather than Britain, would facilitate the progrefs of the former to independence. If, however, fo dangerous an innovation were not adopted into our commercial code, it is altogether probable that Englifh fhips, admitted without limitation into the Indian Seas, would take the liberty of failing to thofe markets which would be thought the moft promifing; fo that, in effect, the opening of the Indian trade would be not folely or chiefly for this country alone, but for other, perhaps for all parts of the world.

Having thus fhewn, that the opening of the Indian trade to the fubjects of Great Britain could not materially increafe, either the export of the manufactures of this country, or its commerce in the productions of India, it will next be proper to confider, what the effects of the propofed change would be upon the Eaft India Company and upon Britifh India.

And, in the firft place, it would, in fubftance and in form, entirely abolifh the qualified monopoly which the Company ftill enjoys of the Indian trade. The admiffion of all private merchants, at their pleafure, and of their Ships, into the trade, would make it as perfectly free as the trade to our American or Weft Indian colonies. There would, as to India, be an end of all exclufive privilege of trade. This would not be any modification of the Act of 1793, but an effential departure from it. That act permitted only the export of Britifh manufactures, and intended only to provide for the returns to them, and for the remittance, in goods, of Britifh fortunes from India; both on the fhips of the Company. The propofed meafure muft, in the nature of it, make the trade from India not merely a vehicle for the remittance of fortunes acquired there, or the produce of Britifh manufactures, but a general trade; and what is a ftill more radical change, inftead of a limited amount of tonnage not incompatible with the Company's fyftem, it admits all fhips, without any limitation, or option on the part of the Company: it throws all India open to thofe fhips, and thus fets afide the Company from being the fole channel and medium of the trade, through their own fhipping, or fhipping engaged by them, which completely divefts them of the laft remnant of exclufive privilege in that trade.

It would be no argument to fay, that in a trade, by which they now gain little, they might admit, without much facrifice, the reft of the commercial world to fhare. The lofs of the Indian monopoly, fuch as it was left by the Act of 1793, would lead, by no flow procefs, to the entire fubverfion of the Company, both in their commercial and political capacity, and of that fyftem which the Legiflature has appointed for the government of Britifh India, of which fyftem the Company forms an integral and effential part.

If the Indian trade were thrown open, fhips would, at firft no doubt, fwarm into it, and there would be a ruinous competition in the markets, both abroad and at

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home. Goods would be enhanced in coſt there, as well as deteriorated in quality: the ſelling prices at home, already too low, reduced ſtill lower, and the market overſtocked. This was the effect, in ſome meaſure, produced by throwing open the trade in the time of Oliver Cromwell, who, after the experience of a few years, revived the Company. The ſame effect followed from the colliſion of the Old and New Companies, in the beginning of the laſt century, which forced them to unite, and their union received the ſanction of government. It is not ſufficient to ſay, on this head, that increaſed demand abroad will produce increaſed ſupply, and the diminiſhed price of goods at home increaſe the ſales, ſo that things will, at length, in both countries, find their due level. From the nature of the Indians and their diviſion into caſtes, it is not ſo eaſy among them, as in Europe, to meet an increaſed demand by increaſed production; and it is ſtill leſs eaſy when they can ſubſiſt by furniſhing things of low or ordinary quality, to make them aim at excellence, which the ſuppoſition of increaſed ſales at home would require. But of ſuch an increaſe, in the preſent and proſpective ſtate of the trade in Indian imports, enough has been above ſaid to ſhew the improbability; and before that ſuppoſition could, in any caſe, be realized, the ruin of the parties immediately embarked in the trade (a trade ſo diſtant, requiring large capitals, and making ſlow returns) might be completed, with the ruin alſo of the Company, whoſe eſtabliſhments would have been deranged by this great change. If the change itſelf did not occaſion the fall of the Company, the diſappointments which the private adventurers could not fail to experience would, by them, be charged to the influence of the remaining privileges of the Company, and they would not reſt until the whole were extinguiſhed. But it may be obſerved here, and it is an obſervation which might be urged more formally and fully, that although the Company have the juſteſt claim to thoſe territories, which the powers veſted in them by the laws of this land, the ability of their ſervants, and the hazards they have encountered, have enabled them to acquire, and that this right was never queſtioned, until the acquiſitions, and conſequently the merit of making them, became great; yet that, in a more peculiar ſenſe, all the principal marts and factories of Britiſh India are their property, acquired in their purely commercial period, either with their money or by grants from the native princes of the country, and that the power of admitting ſettlers and traders to them ſtrictly belongs to the Company.

One part of the preſent ſyſtem, and a beneficial one for all parties, is to have only one place of ſale for Indian goods, that is London; to make all ſales by public auction at ſtated periods, and theſe ſales to be regulated and conducted by the Company. With the propoſed enlargements, it would ſeem hardly poſſible to continue that practice. Different towns would have their own ſales, at their own times. Individuals might frequently chuſe to diſpoſe of their goods by private bargain. The general reſort of buyers which the ſales were wont to bring to London, a reſort often productive of other commercial ſpeculations, would thus be at an end; and the benefit derived from public auction, when that was the ſole mode, would be loſt, in the midſt of many private ſales and competitions: but to diſpoſe of the goods of the Company by private negociation, might open a door to many abuſes, which would render that mode totally unſuitable for their buſineſs. The Company, with ſuch a competition, could not go on to purchaſe the goods of India. With the ceſſation of their Indian trade, their Indian ſubordinate factories, which have been reared in the courſe of more than a century, and which are the ſeats of the beſt manufactures produced in the country, muſt be abandoned, and all the commercial branch of their civil ſervants be thrown out of employ. Their purchaſes of goods at home, for the Indian market, muſt alſo ceaſe, with the circulation of money which has enabled them to ſupport their credit in England, and to provide for the payment of bills, which it has been long and neceſſarily the practice to draw on them from India; a practice which, under ſuch a change of circumſtances, could not be continued: and, in general, the great aid which the political affairs of Britiſh India have, at all times, derived from the commercial credit and reſources of the Company, with the reciprocally beneficial co-operation of the different parts of the Company's ſyſtem, muſt thus be deſtroyed. In like manner, the Company muſt ceaſe to employ the numerous claſs of excellent ſhips they have engaged for the Indian trade, ſhips conſtructed for warlike defence as well as for commerce, and rendered expenſive only, by being neceſſarily deſtined and fitted for the

the performance of political ſervices. Thoſe ſhips the Company have contracted to employ for the term of their duration: there is a large capital embarked in them, and they can be employed in no other way than in that for which they were built. When they can no longer be kept up, the means of conveyance they have hitherto ſo well afforded for troops, and the large ſupplies of naval and military ſtores annually ſent to India, muſt be loſt.

But there is no reaſon to believe the evils would end here. The monopoly of the China trade, which it is propoſed to continue, would not be ſafe; Britiſh Ships, when permitted to range at pleaſure through the Indian Seas, however interdicted from that trade, would attempt to participate it in either by reſorting to it as the country ſhips do, under color of carrying on the coaſting trade, or by other means obtaining teas, and the other productions of China, at the moſt convenient Indian ports. Love of gain, diſappointments in other ways, the hope of impunity would ſtimulate their conductors to break through reſtrictions impoſed in this country. Britiſh ſubjects, who now navigate the Indian Seas, ſail from ſome one of our eſtabliſhed ſettlements there, and are amenable to the laws of it: it would not be ſo with men having no domicile in India. In ranging the numerous iſlands and coaſts of the Eaſtern Seas, where they would be unknown, and whence they could not be followed to England by complaints, the probability of impunity might tempt them to commit upon the weak natives accuſtomed to repoſe confidence in Engliſhmen, acts of injuſtice and licentiouſneſs, which would wound the national character, raiſe complaints throughout India, and ſet the people againſt us. In this manner the Portugueſe formerly rendered themſelves odious in the Eaſt, and contributed to the downfall of their own power. In China, where the effects of ſuch a ſpirit would be moſt to be feared, we could exerciſe no authority, ſufficient to controul men not within the reach of the Indian Governments, or to defeat their ſchemes and aſſociations for eluding the laws. Practice would emboldem them, and time increaſe their numbers. It is hardly conceivable they would not venture upon irregularities which would offend the Chineſe Government, who, whilſt the delinquents eſcaped to England with impunity, would doubtleſs take ſatisfaction of the national factory, and the pride and jealouſy of that Government, alarmed by repeated inſtances of this nature, from the deſultory viſits of a new order of Engliſhmen, inſubordinate to the repreſentatives of the nation, might determine to diſmiſs the whole together. If this extreme caſe be not ſuppoſed, which however is too probable and too momentous in its conſequences to be hazarded, can it be doubted, that whilſt the duties on tea continue at even the fourth part of what they are at preſent, private Engliſh ſhips adventuring to the Eaſtern Seas will not, by means of country veſſels and intermediate ports, if by no other means, procure teas, and revive the practice of ſmuggling them into this kingdom? The conſequence ſeems inevitable, and the ſhips of our own country, eſpecially if allowed to chuſe their port of diſcharge, as the propoſed change ſeems to require, would have facilities, which thoſe of foreign Europe or America could not command. In theſe ways, the China monopoly of the Company, reduced in its profits, would be rendered likewiſe inſecure, and in the end untenable; and the noble fleet of ſhips, employed in that trade by the Company, muſt be alſo laid aſide. How the immenſe revenue, now derived by Government from the very high duties on tea, could, under ſuch circumſtances, be realized, or a ſubſtitute found for them, may be an important, and, to all appearance, a moſt difficult ſubject of enquiry.

But a more ſerious conſequence than all theſe would ſtill remain. A free trade to India would, unavoidably, draw after it the reſidence of numerous and continually increaſing Europeans there, whatever prohibitions might, at firſt, be oppoſed to their ſettling in the country. When all reſtraint to the importation of ſhips and goods is taken off, men muſt be allowed to follow their property, and to remain at the place where they land it, till they have diſpoſed of it; they muſt be allowed to navigate the Indian Seas, and to return to the ſame place when their buſineſs calls them; they will thus, inſenſibly, and with hardly reaſonable grounds for oppoſition, domiciliate themſelves; nor would an unſucceſsful trade prevent them, but many would ſeek to indemnify themſelves on ſhore for their loſſes by the voyage. The inſtances of ſuch ſettlements will be numerous, and it will be impoſſible for any police to follow up the caſes of individuals, and continually to exerciſe a rigorous ſyſtem of excluſion. This has not hitherto been done, though

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attended with comparatively little difficulty; and the attempt would foon, under the new order of things, be abandoned as hopelefs. Colonization muft, in fuch cafe follow. Large communities of Europeans will ftruggle for popular rights: new feelings with refpect to the mother country, new interefts and attachments will then fpring up; and in a region fo remote, fo rich and populous, and fo accuftomed to yield to the afcendancy of the European character, the tendency and procefs of thefe things cannot be difficult to conceive.

With the profpect of all thefe confequences, commercial and political; before the Court, it is impoffible that they, as faithful guardians of the interefts committed to their care, or as men truly folicitous for the welfare of their country, which they profefs themfelves to be, can advife their conftituents to feek a renewal of their Charter, on conditions which would defpoil it of all its folid advantages, deprive the Company of their moft valuable privileges, and incapacitate them from performing, for themfelves and the nation, the part hitherto affigned to them in the Indian fyftem. Such a further enlargement of the Indian trade, in favor of individuals, as may be compatible with the prefervation of thefe effential objects, the Court will, in prefent circumftances, certainly be difpofed to recommend. They will be ready to enter into a ferious inquiry concerning the conceffions which may be made, without trenching upon the principles eftablifhed by the Act of 1793; and they truft that the juftice and wifdom of His Majefty's Minifters will not require the Company to make effential facrifices, for the fake of giving to the Public what would, after all, be more an ideal than a real benefit, and be, in other refpects, productive of incalculable difadvantages.

The other important propofition which is next to be confidered, is the transfer of the Indian Army to the King. The reafons affigned for this propofition are, that an end may be put to the jealoufies and divifions which have too much prevailed, between the officers of His Majefty's army and thofe employed by the Company, and that the refponfibility in the country, of providing for the military defence of India, may be afcertained and ftrengthened.

The Indian army is the main inftrument by which the Company have acquired and retained the territorial poffeffions they have added to the Britifh Empire. The people of thofe countries fubmitted more eafily to an authority exercifed by means of a body formed from among themfelves. We fought battles and governed provinces as the native powers did; and our new fubjects, undifgufted with the fight of a foreign conquering army, fuppofed the government to continue fubftantially the fame, and the principal change to be in the individuals who exercifed it. The conftitution and character which this Indian army has acquired, have been the fubject of juft admiration. Thefe have been owing, effentially, to the happy mixture of bravery and generofity, of firmnefs and kindnefs, exercifed towards the Sepoys by their European officers. The fuperior lights and energy of the European character have directed the powers and conciliated the prejudices of the native troops; but it was becaufe the officers knew the people and their prejudices well. Thefe officers had been trained up among them from an early age: the nature, the ufages, and the language of the natives, were become familiar to them; and the natives, remarkably the creatures of habit, in return, from being accuftomed, became attached to them. Without fuch knowledge, however, on the part of the officers, they might every day have revolted the minds of fo peculiar a race, and have alienated them from our fervice and government.

An Indian military education, from an early age, is effential to the formation of a good Sepoy officer; and gradual rife in the fervice by feniority, is no lefs indifpenfable. In this way, the Indian army has been conftituted and rendered eminently efficient; and all meafures, tending to change or weaken the conftituent parts of this fabrick, are to be deprecated. When, excepting a few regiments of European artillery and infantry, the whole military force of Britifh India was compofed of Sepoy corps, the officers of that army, of courfe, poffeffed entire the emoluments and advantages which the fervice afforded. The introduction of European troops from His Majefty's army into India altered this ftate of things. Young officers, of no Indian experience, who had obtained their commiffions by purchafe, took rank of men of long and tried fervice: the King's officers were thought to come in, alfo,

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for too large a ſhare of employments and advantages. To redreſs the complaints which the Company's officers made of ſuperceſſions and partialities, and to give them a better ſhare of the benefits of the ſervice, was the leading object of Lord Cornwallis's Military Plan of 1794, and with him a principal motive for propoſing to transfer the Indian army to the King, no other practicable means having then occurred to him. But the object was, in ſubſtance, attained by the Military Regulations of 1796, paſſed in concert with His Majeſty's Government, without that transfer, of which his Lordſhip did not revive the idea on his laſt return to India, thoſe regulations having given increaſed rank and retiring pay to the officers of the Company's army. The cauſes of complaint, however, did not entirely ceaſe. To avoid the colliſion of authorities, the Company had adopted the uſage of appointing the Commander in Chief of the King's troops, alſo their Commander in Chief; and one conſequence of this has been, that the Company's officers, reſident from early youth in India, poſſeſſing little influence in England, unknown to officers of high rank in His Majeſty's ſervice, have thought themſelves treated with leſs favour and diſtinction, than younger officers of that ſervice recently arrived, but better patronized. You know, Sir, that there have been inſtances of this ſort, which the Court, with the ſanction of your Board, have interpoſed to repreſs: but as long as the Britiſh force in India is made up of two armies, ſo differently conſtituted, with ſo large a portion of King's officers, the whole commanded by generals of His Majeſty's ſervice, there will, probably, be real or apprehended ground for the like complaints. They do not ariſe becauſe one army has the honour to belong to His Majeſty and the other ſerves the Company, but becauſe the conſtitution of the two armies are radically different, and muſt continue ſo, whether the armies are under one head or two. The Indian army cannot be maintained without officers attached to it from an early age, and riſing by ſeniority. Frequent changes of King's regiments ſerving in India, and the conſequent frequent arrival of young men, promoted in them by purchaſe, cannot be avoided: the former claſs will be comparatively unknown to the King's commanders, the latter will have among them the connections of thoſe commanders, or of men of influence in England. It is not difficult to ſee, therefore, to which ſide the exerciſe of military patronage will lean; and to prevent cauſes of complaint, and to keep the balance even, muſt be an important object in the Government of India. It does not ſeem the way to effect this, to put the Indian army wholly in the power of the Commander in Chief. It is of the partiality of that ſtation of which the Company's officers have ſometimes complained; and the Court ſee no reaſon whatever to ſuppoſe, that their jealouſy and diſſatisfaction would be removed, by putting them entirely under its control: and, indeed, by placing two armies, of ſuch different races and ſo differently conſtituted, under the ſame maſter, it would ſeem difficult to avoid attaching the idea of permanent inferiority to that which was Indian. Nor is it a thing to be taken for granted, that the Sepoys, ſo much, as already obſerved, under the influence of habit, would chuſe to be transferred from that ſervice to which they have been always accuſtomed, to one of which they have little experience, and that experience not always of a conciliatory kind. To place the officers of the Indian army wholly under that authority of which they have hitherto complained, does not certainly appear to be the way to render them eaſy. It might, on the contrary, lead to ſerious diſcontent; and though the Court would be far from countenancing that ſpirit among their officers, or yielding to any irregular exertion of it, yet it muſt be ſaid, on the other hand, that thoſe officers are a body of men who have deſerved too well of the Company and their country, to have real cauſes of diſcontent; and that it would be impolitic to adopt any ſyſtem, likely to generate ſuch cauſes, either among them or the men they command.

With regard to the other reaſon aſſigned for the propoſed change, the Court beg leave to obſerve, in the firſt place, that they do not perceive the neceſſary connection between the inconvenience which is alleged, and the remedy ſuggeſted for it; ſince, if it were true that the queſtion of reſponſibility in England, reſpecting the appointment of Commander in Chief, lay under obſcurity and uncertainty detrimental to the public ſervice, it does not appear to follow that the Indian army ought to be transferred to the King, to remedy this defect. But, in the humble apprehenſion of the Court, no obſcurity hangs over that queſtion. The appointment of Commanders in Chief of the King's forces there reſts with His Majeſty, and the officer choſen by him will, by virtue of his commiſſion, generally command the Company's army on ſervice. The appointment of Commanders in Chief for the Company's army is placed,

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by law, in the first instance, in the Court of Directors, but with a power vested in His Majesty to annul such appointments. This necessarily points to an agreement between His Majesty's Government and the Court of Directors, in respect to those appointments, and the Court are not aware, that they have, on any occasion, used the share of power left to them by this arrangement, for the exercise of which they feel that they are responsible, to the prejudice of the public service. They must, at the same time, humbly express their opinion, that the law, as it now stands, is wisely conceived, since it does not halve the responsibility, but double it, making both His Majesty's Government and the Court of Directors fully answerable for the appointment of the Company's Commanders in Chief: and if it should still be said, that, in point of fact, the selection of a Commander in Chief for His Majesty's forces may be rendered difficult, by reluctance, on the part of the Court, to accept of the same officer for the command of the Company's army, it may be justly replied, that they make a sacrifice to the public interest, in agreeing that the Commander in Chief of His Majesty's shall also be the Company's; and when he is not only to command their army, but expects to be made a Member of their civil and political Government, it cannot be deemed unreasonable, that they should possess the right of satisfying themselves as to his competency for filling those high offices: neither is it, as they think, to be shewn from theoretical reasoning, or by an appeal to facts, that the service will suffer, or has suffered, by their assertion of this right.

But the strongest objections of the Court to the proposed transfer arise from political considerations. They conceive the continuance of the Indian army in the hands of the Company to be essential to the administration of the civil, financial, and political affairs of British India, according to the present system. The Company's Government has hitherto been respected, both by its own subjects and foreign powers, because it possessed a great military force. Organizing this force, enlarging or reducing it at pleasure, appointing its officers, rewarding merit, punishing the unworthy, providing for the comfortable retirement of the veteran soldier and officer, and, in short, exercising all the functions of a governing power over a very numerous body of men of high military spirit, it has possessed all the respectability and the benefit of their attachment and fidelity. Looking upon the Members of the civil Government and the body of civil servants as belonging to the same master with themselves, and as the first order in the state, they have paid a willing obedience to their authority, and have thereby upheld their internal administration and their consequence abroad. The introduction of certain King's regiments has been understood, as it was intended, to be merely in support of the public interest under the existing system; but if the Company were to be divested of the whole of their military force and power; if they were to be no longer masters of a single regiment, no longer capable of entertaining any soldiers nor of giving one subaltern's commission; if the immense body of men, who have so long looked up to them, were to be transferred from them, the people must consider their power as fallen and drawing rapidly to a close. Continuing still to their Governments a general controul over the employment of the army, and to their civil servants the internal administration of their affairs, would give the people no assurance to the contrary. Those servants, in the discharge of their different functions of judges, magistrates, collectors, could not expect the same respect and support, either from public opinion or the attachment of the native troops, as when all looked to the same head for protection, patronage, and reward. Indeed, to make so wide a separation of the military from the civil power; to take away the organization, the interior regulation, and with these, the patronage of the army, from the local Government; to place all those powers in the hands of the Commander in Chief, subject only, in the exercise of them, to an authority at the distance of half the globe, would throw the means and the temptation of a dangerous ascendancy into the scale of the military department, which constituted by His Majesty, might easily be led to slight the civil servants of a meaner master, and their chance of distant redress. Among the natives of India it has been usual to consider the military power, and those possessing it, as pre-eminent; and they see, in some examples of the present day, that power, under the idea of assisting the civil and political administration, actually controuling it. The Company's Government, in short, lowered and overshadowed in this way, would not, in the opinion of the Court, continue to possess the authority necessary for the proper administration of the affairs of that great empire;

empire; and it might then be conceived, that a further change only could ſupply what was defective.

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But this is not the only way in which the meaſure in queſtion appears to the Court to be pregnant with danger. It propoſes to place in the entire diſpoſal of the Crown, a regular army, amounting to one hundred and forty thouſand men, commanded by above three thouſand European officers, having a great variety of places of honor and emolument; and all the vaſt patronage attaching to ſuch an army (ſaving the nomination of cadets) would, mediately or immediately, be under the influence or controul of ſome of the Members of His Majeſty's Government. This would be a ſignal departure from the ſpirit and letter of the Acts of 1784 and 1793, a profeſſed principle of which was, that the Indian patronage, civil and military, ſhould be kept entirely out of the hands of the ſervants of the Crown. It is not for the Court to enlarge upon a propoſition ſo momentous; but they beg leave, with the utmoſt deference, to ſtate, that they would deem it a dereliction of their duty, to which no conſideration could induce them to ſubmit, to recommend any meaſure of this deſcription to the adoption of their conſtituents. Knowing however, Sir, your concern for the promotion of the public intereſt, a concern which we have frequently witneſſed, the Court ſtill flatter themſelves, that the conſideration of the renewal of the Company's Charter, a meaſure which they believe to be for the intereſt of the nation as well as of the Company, will go on without your inſiſting on this propoſition, or any further on the other which has been above diſcuſſed, than may be really compatible with the preſervation of the preſent Indian ſyſtem.

We have the honor to be, Sir,
Your moſt obedient humble ſervants,

(Signed) EDWARD PARRY,
CHARLES GRANT.

The Right Honorable Robert Dundas,
&c. &c. &c.

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At a Secret Committee of Correſpondence, the 28th February 1809.

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Secret Committee, 28 Feb. 1809.

THE Chairman and Deputy Chairman reported to the Committee, than in conſequence of an invitation from the Preſident of the Board of Commiſſioners, they had yeſterday an interview with him, in which he diſcourſed with them on the preſent ſtate of the negotiation for the renewal of the Company's Charter. He inquired, in the firſt place, whether the Company would have occaſion to apply to the Public for pecuniary aid in the courſe of the preſent year. To this inquiry the Chairman and Deputy anſwered, that from an eſtimate lately made up of the Company's receipts and payments, till the month of January 1810, it appeared probable they might be able to do without any public aſſiſtance till that period; but that this could not be poſitively affirmed by the Chairs without further and more certain inveſtigation. Mr. Dundas then ſaid, that if the Company were not under a neceſſity of coming to Parliament this ſeſſion on the ſcore of their finances, he thought it would be expedient to delay the agitation of the ſubject of the Charter in Parliament till next ſeſſion, becauſe the Committee of the Houſe of Commons for inquiring into the ſtate of the Company's affairs, recently re appointed, being about to examine into all the great branches of thoſe affairs, which would neceſſarily engage the public attention on the renewal of the Charter, it would be expected by the Houſe, that the reports of that Committee ſhould be ſubmitted to them, before the queſtion of the renewal was brought forward, and from the number and weight of the ſubjects to be inveſtigated, it would be impracticable to report upon them, ſoon enough to afford ſufficient time to the Houſe to go through the conſideration of them in the remainder of the ſeſſion: it was, therefore, Mr. Dundas's opinion, that it would be adviſable to poſtpone the agitation of the queſtion until next ſeſſion; but before he fixed his determination, he wiſhed to receive the ſentiments of the Chairs and

the

No. IX.

Secret Committee, 28 Feb. 1809.

the Committee of Correfpondence on this important point, and thofe fentiments would probably influence him in fhaping his anfwer to the laft letter of the Court, dated 13th January 1809, on the renewal of the Charter. The Chairman and Deputy Chairman beg leave to ftate, that they, in reply, expreffed their opinion to be clearly in favor of proceeding with the bufinefs of the Charter this feffion, if it fhould be practicable for the Committee of the Houfe to make the requifite reports in due time.

The Committee having deliberated on this communication, are of opinion, firft, that it will be neceffary to form as accurate an eftimate as poffible of the home finances of the Company for the current year; fecondly, that it is very defirable the renewal of the Company's Charter fhould be brought forward in Parliament this feffion, even if the Company fhould ftand in need of no pecuniary aid; but, thirdly, that if the Select Committee cannot prepare their reports in due time, and His Majefty's Minifters deem it proper to wait till next feffion, the Court muft, of courfe, acquiefce; yet in the wifh and hope, that if any circumftances fhould occur in the courfe of the prefent feffion, favorable to the agitation of the meafure, it may ftill be brought forward; and if not in this feffion, as early as poffible in the next; to which end the Committee will be very ready to proceed with the Prefident of the Board of Commiffioners in the difcuffions already commenced.

No. X.

At a Secret Committee of Correfpondence 5th December 1809.

No. X.

Secret Committee, 5 Dec. 1809.

READ and approved draft of a letter to the Right Hon. Robert Dundas, propofing that the difcuffions between him and the Court, on the fubject of the Charter, be refumed. from the point at which they were left by the letter from the Chairman and Deputy, dated 13th January laft.

No. XI.

Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, noticed in the preceding Minute.

(Private)

Sir, East India Houfe, 5th December 1809.

No. XI.

Chairman and Deputy's Letter.

FROM the conference the Chairs had the honor to hold with you on the 13th of February, on the fubject of a renewal of the Company's Charter, we were given to underftand, that although His Majefty's Minifters did not deem it expedient to bring that fubject under the confideration of Parliament in the feffion then preceding, it might, in their opinion, be proper to prepare for the agitation of it in the next following one.

We now, therefore, by the Authority of the Committee of Correfpondence, whom the Court of Directors have empowered to conduct the details of negociation on the fubject in queftion, beg leave to ftate to you, that, in their opinion, it is defirable the difcuffion concerning the renewal of the Charter fhould be brought on in the enfuing feffion, both on account of the general fituation of the Company's affairs, and alfo on account of the particular preffure on their finances (arifing chiefly from the transfer of certain fums of the India debt to England) which we have already had the honor to reprefent to you and to Lord Harrowby, and which renders neceffary fuch an application for public aid, as may of itfelf, be expected to lead to a general confideration of the Company's affairs.

We

We therefore take the liberty to propose, that the discussions between you and the Court, on the subject of the Charter, be resumed, from the point at which they were left by the letter the Chairs addressed to you, under date the 13th January last. No. XI. Chairman and Deputy's Letter.

We have the honor to be, Sir,
Your most obedient humble servants,

(Signed) CHARLES GRANT,
WILLIAM ASTELL.

The Right Honourable Robert Dundas,
&c. &c. &c.

No. XII.

At a Secret Court of Directors, held on Friday the 3d January 1812.

THE Chairman laid before the Court, a copy of a letter from Lord Melville to the Chairs, dated the 17th of last month, upon the subject of continuing to the East India Company, for a further term, their privileges of exclusive trade and the government of the British territorial possessions in India, in which his Lordship adverts to his letter addressed to the Chairman and Deputy Chairman, on the 28th December 1808, and to their reply, dated the 13th January 1809, and adds, that if the Court of Directors are willing that the ships, as well as goods of private merchants, may be admitted into the trade with India, under such restrictions as may be deemed necessary, he shall be ready to discuss with the Chairs all the other details of the system: and his Lordship alluding to two points of considerable importance, adverted to in the above mentioned letters, viz. the first relating to the transfer of the Company's army to the Crown, upon which subject circumstances may possibly suggest the expediency of adopting other measures, for promoting the discipline and efficiency of the army in India; and the second point, being the Indian debt, upon which subject his Lordship observes, that the period he should hope is arrived, for providing, out of the Company's own resources, without any pecuniary aid from the Public, the means of enabling them to satisfy all the Claims of their Indian Creditors. No. XII. Secret Court, 3d Jan. 1812.

Ordered, That it be referred to the Committee of Correspondence, to consider what reply it may be right and proper to make to the letter from Lord Melville, now read; and to report their opinion thereon to the Court.

No. XIII.

Letter from the Right Honorable Lord Viscount Melville to the Chairman and Deputy Chairman, dated the 17th December 1811, noticed in the preceding Minute.

Gentlemen, India Board, 17th December 1811.

UNDERSTANDING from you, that it is the wish and opinion of the Court of Directors, that a proposition should be submitted to Parliament in the course of the next session, for continuing to the East-India Company, for a further term, their privileges of exclusive trade and the government of the British territorial possessions in India; it will be necessary, before I can proceed with you to the discussion of that question in all its details, that certain preliminary matter should be again brought under your consideration. No. XIII. Ld. Melville's Letter.

In a letter which I addressed to the Chairman and Deputy Chairman, on the 28th December 1808, the outlines of such a system, in regard to the trade between this country and the East Indies, were stated, as His Majesty's Government at that time were willing to propose to Parliament. In a reply to that letter, dated the 13th January 1809, detailed reasons were urged, for the Court of Directors declining to "advise their constituents to seek a renewal of their Charter, on conditions which"

No. XIII.

Ld. Melville's Letter.

(as asserted by the Chairman and Deputy Chairman) " would despoil it of all its " solid advantages, deprive the Company of their most valuable privileges, and in- " capacitate them for performing for themselves and the nation, the part hitherto " assigned to them in the Indian system."

I do not feel it requisite, in this stage of the business, to enter upon a minute examination of the arguments from which that conclusion was drawn. Many of them have reference to possible dangers, which might arise from a system of trade wholly unrestricted; against which dangers, however, it was expressly admitted in my letter, that it would be essentially necessary to guard. A considerable portion of their reasoning, also, would lead to the inference, as a general proposition, applicable to all cases of foreign and distant trade, that a monopoly was more beneficial to both countries than an unrestrained commerce; and that the facilities intended to be afforded to private trade with India, by the Act of 1793, were inexpedient and impolitic. There are several statements in the letter, in which I fully concur; but it is unnecessary to advert to them at present, because if the Court of Directors adhere to the above-mentioned determination, I cannot hold out to you the least expectation, that His Majesty's Government will be disposed to depart from the proposal contained in my letter, or that they will concur in any application to Parliament, for the continuance of a system of trade, conducted under all the restraints now imposed upon it, and for the permanency of which the Court of Directors have so strenuously contended. If they are willing, on the other hand, that the ships as well as goods of private merchants, may be admitted into the trade with India, under such restrictions as may be deemed necessary, I shall be ready to discuss with you all the other details of the system.

There are two points, however, of considerable importance, which are adverted to in the above-mentioned letters, and on which it may be advisable that I should state to you shortly what occurs to me.

The first relates to the transfer of the Company's army to the Crown; a measure which has been frequently suggested by persons intimately acquainted with the military concerns of the Company, and whose opinions are entitled to great consideration. It is impossible, however, not to admit, that several weighty objections to such a change are stated in the Letter of the 13th January 1809. Events which have since occurred, must, also, have an influence in deciding this question, and may possibly suggest the expediency of adopting other measures for promoting the discipline and efficiency of the army in India. Further discussion on this subject may be deferred till a future opportunity, and any arrangements which may be deemed proper can be carried into effect, without having recourse to special legislative enactments.

The other point to which I allude, is the proposition for enabling the Company to meet the heavy demands which were then expected, and which, to a certain extent, have since come upon them, by the transfer of their Indian debt to this country. All uncertainty, as to the possible amount of those demands, is now removed; and the period, I should hope, is arrived, to which, during some years, we have looked forward with anxiety, for providing out of the Company's own resources, without any pecuniary aid from the Public, the means of enabling them to satisfy all the claims of their Indian creditors. The sanction of Parliament will probably be necessary for carrying into effect any arrangement for that purpose; and if the Court of Directors are willing that these discussions, on the renewal of the Charter, shall proceed, in so far as relates to the question of the trade, on the principle to which I have adverted, I shall be ready to receive from you any suggestions you may have to offer on the subject of the debt, and on the mode by which you propose that funds for its liquidation shall be provided.

I have the honor to be, Gentlemen,
Your most obedient humble servant,

(Signed) MELVILLE.

The Chairman and Deputy Chairman
of the East-India Company.

No. XIV.

At a Secret Court of Directors, held on Friday the 28th February 1812.

THE Chairman from the Committee of Correſpondence laid before the Court the draft of a reply to Lord Melville's letter of the 17th of December laſt, which was read: No. XIV. Secret Court, 28 Feb. 1812.

Ordered, that the ſame be taken into conſideration to-morrow.

No. XV.

At a Secret Court of Directors, held on Saturday the 29th February 1812.

THE Court proceeded to take the propoſed draft of a reply to Lord Melville's letter into conſideration. No. XV. Secret Court, 29 Feb. 1812.

No. XVI.

At a Secret Court of Directors, held on Monday the 2d March 1812.

THE draft of the propoſed reply to Lord Melville's letter, of the 17th December laſt, was unanimouſly approved. No. XVI. Secret Court, 2 March 1812.

Reſolved, That a Deputation of this Court be appointed to wait on His Majeſty's Miniſters, in conſequence thereof; and that the ſaid Deputation do conſiſt of the Chairman, Deputy Chairman, Charles Mills Eſq. the Honourable William Elphinſtone, and Edward Parry Eſq.

No. XVII.

Letter from the Chairman and Deputy Chairman to the Right Honorable Lord Viſcount Melville, with its Encloſures, noticed in the preceding Minute.

My Lord, East India Houſe, 4th March 1812.

WE duly received and laid before the Court of Directors your Lordſhip's letter of the 17th of December laſt. We truſt that the great Importance of the Matter contained in it will explain, in a ſatisfactory Manner, to your Lordſhip and to His Majeſty's Government, why an Anſwer has not been prepared at an earlier Period. No. XVII. Chairman and Deputy's Letter.

By that letter we think it is to be underſtood, that His Majeſty's Miniſters have made up their minds, not to hold out to the Eaſt India Company an Expectation of their being diſpoſed to concur in an offer to Parliament of any propoſition for the continuance of the preſent ſyſtem of trade with India, at the cloſe of the term limited by the Act of 1793, which is now nearly expiring, without a previous conſent, on the part of the Eaſt India Company, as the baſis of ſuch concurrence, that the trade with India ſhall be extended to the ſhips, as well as goods of private merchants, under ſuch reſtrictions as may be deemed neceſſary; but that His Majeſty's Miniſters are of opinion, with reſpect to the ſubject of the Indian army, that the idea which was held out in your Lordſhip's letter of the 28th of December 1808, relative to the transfer of the Company's army to the Crown, will not be contended for; and that, upon theſe grounds of underſtanding, your Lordſhip will be prepared to receive from the Court of Directors any ſuggeſtions which they may have to offer on the ſubject of the Company's debt, and upon the mode by which the Court propoſe that funds for its liquidation ſhould be provided.

From the terms in which the firſt propoſition, reſpecting the trade with India, has been brought to the notice of the Court, they conceive that it is intended, on the

No. XVII.

Chairman and Deputy's Letter.

the part of His Majesty's Government, to preclude the Court from any further agitation of a question already so fully discussed. The Court, indeed, cannot avoid considering this as the obvious interpretation of your Lordship's letter respecting a point, upon which, perhaps, it might be out of their power to offer any arguments, not contained in the letter of the Chairs to your Lordship of the 13th of January 1809.

Whatever opinion, therefore, the past experience and daily observation of the Court may have justly induced them to form upon this subject, or however incontrovertible they may believe many of the arguments to be, that are made use of in the letter of the Chairs to your Lordship, to which they have referred, they think it their duty to state, that if this alteration be made an indispensable condition, on the part of His Majesty's Ministers, of their proposing to Parliament, the renewal of the Company's privileges, the Court will, though reluctantly, offer this measure to the consideration of the Proprietors, with whom alone the power rests of consenting to such a fundamental change in the constitution of the Company. But they must, at the same time, beg leave, in the most unequivocal manner, to declare their conviction, that though this alteration may, and probably will, be attended with many serious inconveniences to the whole frame of that Government, which, whatever opinion may have been formed of its imperfections, has, beyond all dispute, acquired and maintained for Great Britain a paramount, and almost undisputed sovereignty in the East, it will not give to the nation those commercial advantages, which it has been the habit of many of the commercial interests of this Country to contemplate.

The Court, however, hope it will be understood by your Lordship, that they have entertained this opinion, not upon the narrow, and now justly exploded ground, which they are sorry to see has been imagined by your Lordship to exist, that the Company have ever considered a monopoly to be more beneficial, in all cases of "foreign and distant trade, than an unrestrained commerce," but upon the conviction with which they have been impressed, that an exclusive trade with India is the only one really applicable to the maintenance of the public interests with that country, interwoven as that trade is with the very frame and integrity of those possessions, and resting, as it does, upon many highly important considerations, which are, in no wise, applicable to other commercial establishments.

In support of these opinions, the Court beg leave to enclose abstract copies of the Accounts (A and B), which have been called for, and laid before the Committee of the Honorable House of Commons upon East India Affairs, established in 1808, and continued to the present time, which they imagined will afford a fair representation of the trade in bullion and in goods carried on with India, as well by individuals as by foreign nations; and these accounts will, they trust, establish, in a conclusive manner, the correctness of the sentiments entertained by the Court respecting this trade.

In communicating, however, those sentiments of reluctance, by which the determination of the Court to submit the proposition in question to the proprietors of East India Stock is accompanied, the Court hope it will be clearly understood, that this determination arises from a presumption, that such military powers as are now vested in the Company will be left unimpaired, which can alone induce them to entertain an expectation of their being able, in a manner satisfactory, either for the Company or the Public, to perform the part which has hitherto been assigned to the Company in the government of a distant empire; and also, that such regulations will be adopted, as will prevent the highly dangerous intercourse of Europeans with the East; and that such arrangements will be made, in respect to pecuniary matters, as will enable the Company to meet with confidence the present state of their affairs. The Court also hope, that in the extension of the trade which the Company now enjoy, His Majesty's Ministers have not had in view the hazardous experiment of dispersing, over all the ports of England and Ireland, a trade now brought, with so much advantage, both to the Company and the Public, to the single port of London.

If the private intercourse with India should, in future, be extended, it may naturally be expected, that upon the return of peace, a number of British seamen will be thrown out of employ; and the Court are apprehensive that such an intercourse, carried

No. XVII.

Chairman and Deputy's Letter.

carried on through the medium of Indian ſhips and Indian ſailors, relaxing as it would do the ſpirit of the navigation laws, which have always been conſidered to be the baſis of the maritime ſtrength of this country, may be viewed by the nation with extreme alarm, and will probably give riſe to many diſorders. The Company's papers and offices might furniſh material information, by which the relation of the Indian trade with the navigation ſyſtem could be appreciated, and the Court, if it ſhould be thought likely to be of public utility, are ready to have that information collected; but without ſuch call, and without preſſing their reaſons at length, either upon your Lordſhip or the other Members of His Majeſty's Government, they will content themſelves with the declaration they have already made of their opinion upon this ſubject.

The Court are deſirous of taking this opportunity to offer ſome remarks, and to anſwer, in a curſory manner, part of thoſe public accuſations, which have been ſo aſſiduouſly urged againſt the Eaſt India Company, and againſt the further continuance of a ſyſtem, which, they hope, will appear to reſt, not upon the grounds of individual intereſt, but upon the firm baſis of national advantage.

Whatever opinions the Court may deliver, upon a ſubject in which they are manifeſtly intereſted, will doubtleſs be received with circumſpection; but the Court think, that they may be allowed, and with juſtice upon the preſent occaſion, to aſſert, that the leading diſpoſition of their minds is, to preſerve the empire obtained in India to the parent ſtate.

The firſt, and the moſt prominent of the charges, which have, at various times, been brought againſt the Company, is the repeated calls which they are accuſed of having made upon the public, for money for the proſecution of ruinous concerns; as if they had diſſipated large ſums in uſeleſs and improvident undertakings. Upon this head it may be ſufficient for the Court to obſerve, that their commercial affairs (and to thoſe alone was the Company's management reſtricted) have been invariably attended with ſucceſs, as they are prepared to ſhew, if the proof ſhould be called for; and that theſe advantages have been ſufficient to allow of a moderate dividend to the Proprietors of Eaſt India Stock. Over and above this dividend, a ſurplus ſum has been applied, ariſing from this ſource, towards the extenſion of that territory, the acquiſition of which has been under the immediate direction of His Majeſty's Miniſters.

But the Court are perſuaded, that the magnitude of the affairs which the Company have had to manage, has been little known and little attended to, otherwiſe it would, at once, have been ſeen, that one of the principal difficulties with which the Company have had to contend, is a capital, not in any reſpect equal to the great extent, variety, and importance of thoſe affairs.

The diſburſement of the Company upon the ſingle article of commerce in goods and wares, &c. or of articles neceſſary for its management, a diſburſement of ſums going from and returning to the Company, from one moment to another, was, at the cloſe of the year 1811, not leſs than about - - - £14,847,678

To this muſt be added, the amount of advances in India and at home, for Stores of various kinds, applicable to the purpoſes of Government, and in conſtant uſe for military equipments, &c.; of caſh, arms, &c.; and of debts due to the Company from various ſtates and princes, &c.; and other articles, making at the cloſe of the Indian year 1810, about - - - - 21,282,279

If to theſe ſums be ſubjoined the abſolute expenditure made by the Company, for the acquirement of a territory, with forts, ammunition, &c. and the actual purchaſe of many factories and territories, building of docks, purchaſe of foreſts, &c. including a conſiderable ſum which has been paid by them, at various times, to the Public, or diſburbed for expeditions, and the maintenance of captures afterwards ſurrendered up to the enemy, *viz.* - - 15,052,170

They form altogether an aggregate of - £51,182,127

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Aggregate difburfements brought forward		£51,182,127
The capital of the Company is:—		
In money advanced by the adventurers, about	£7,780,000	
And they receive from the aid of bonds at home	7,000,000	
And from other contingent credits, at home and abroad, about	7,787,953	
Together		22,567,953
Leaving a balance of		£28,614,174

Conftituting at this moment a permanent debt in India and in Europe. (See C.)

This aggregate of £51,182,127, a part of which fum only has been employed upon the territorial acquifitions of the Company, forms an outlay, beyond the capital of the Company, of fo large an amount, as to make it more matter of wonder, how the Company have hitherto been able to carry on the concern at all, than to render it extraordinary that they fhould have been conftrained, refpectfully and at various times, to reprefent the urgency of their affairs, and to prefs upon the Public for the mere return of thofe fums, which had been fairly expended by the Company abroad for the public fervice; a return which has never yet been granted to the Company, to the extent to which, in juftice, it ought to have reached. In every war which has taken place fince the Company became poffeffed of the territorial acquifitions, large fums of money have been expended in capturing the fettlements of the French, Dutch, and Danes, and heavy expenfes incurred in keeping the fame, till the political views of the Public occafioned thefe fettlements to be reftored, in return for other objects, in which the Company had no particular intereft. The Company have alfo been compelled to pay part of the expence of capturing and maintaining an ifland, afterwards referved for the exclufive benefit of the Crown; to difburfe a confiderable fum for a force, of which the Public have derived all the benefit at home; and even to contribute to the Egyptian expedition, the whole of which expenfes the Company have always thought ought to have fallen upon the State.

This large and neceffary outlay, in fact, now conftitutes the fource of the Company's embarraffment. A confiderable part of the money raifed in India upon periodical loans, to meet this outlay, has (as your Lordfhip well knows) by the terms of thefe loans, which made them payable, if required, in England, and in confequence of a general reduction of intereft from eight to fix per cent, been at once thrown upon the Company for immediate payment in Europe; a fum which, without the aid of Parliament, it is impoffible for the Company to difcharge.

Of this large expenditure, fanctioned, and in many cafes fpecifically directed by the Minifters of the Crown, it may with juftice be afked, what part has been incurred for the partial or exclufive advantage of the Company?—It is evident, that the whole concern has been begun and continued by private exertions alone; nor have the Proprietors received, by any means, an adequate recompence for thofe exertions; they have fcarcely derived more benefit than the common intereft of money. And if India be an object of regard to the world, the Company may have the fatisfaction of thinking, that they, at their own rifk and expenfe, have refcued it from contending Nations, and may claim the merit of having laid it at the feet of their country; acquired and preferved, it is true, at a great pecuniary expenfe, and by fuch abilities and fuch exertions, both civil and military, as not only to reflect the higheft credit upon the Eaft-India Company, but alfo to raife, as the page of hiftory will teftify, the national character. They venture to hope, that when all the great political relations of this acquifition are confidered, the price paid for it will not be deemed as out of proportion to its intrinfic value.

The wifdom of Parliament will, the Court make no doubt, be applied to preferve what has been fo acquired, and finally do juftice to thofe, at whofe rifk it has been obtained; and not be induced to barter pofitive, and very large immediate advantages, againft fpeculative notions and theoretical plans.

In the fecond place, it has been often urged, that the Company have been favoured during thefe exertions, with an exclufive trade, and that the nation has thereby loft an opportunity of extending their commercial enterprizes over a large quarter of

of the globe. It is true, that the Company have been favoured with this exclusive trade; but it may fairly be asked, would India have belonged to Great Britain if this exclusive trade had not existed? That this trade would have been of greater magnitude in the hands of individuals, is yet a matter that remains to be proved: but it is obvious, that during part of the above period, viz. from the year 1768 to 1812, the Public have received, in direct contributions from the Company, a sum not falling short of £5,135,319, as will appear by the accompanying Account (D.)

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With respect to the immediate produce of this trade to the Public, the Court believe it will bear a comparison with that arising from any other distant possession. It produced last year to the Public the large sum of £4,213,425 (E), viz. in custom £759,595, and in excise £3,453,830; and though this return to the Public be larger, as the Court have reason to think, in respect to the capital employed, than the return from any other trade, it has at the same time, been collected with a facility unknown to other concerns; an advantage which has been obtained, partly by the progressive enactment of regulations the fruit of many years experience, and partly by the concentration of the trade in a single port, and the prevention of smuggling, which has been the consequence of it.

But what has never yet been fairly estimated in the existence of the East-India Company is, that the whole of these returns have been brought into the exchequer of the Public, without the Public having been called upon for any direct contribution for the preservation of the source from whence they have had their rise, whilst the possessions of the Crown, in every quarter of the globe, have drawn from them a considerable sum for their support in troops. What has been saved to the State has thus, the Court conceive, been gained by the Public, and would amount, as the Court are satisfied, in only twenty years, to a sum of a very great magnitude. From the Navy, indeed, the East-India Company have received important assistance; but such assistance, it must be recollected, has been afforded to them only in common with the rest of His Majesty's subjects.

That the trade of the Company has been highly beneficial to the Public, in affording a nursery for seamen in time of war, and employment for them in time of peace, and that the Company's maritime service has contributed materially towards those benefits, cannot, the Court apprehend, be doubted; nor that the fortunes of individuals, acquired either in the service of the Company, or by their industry and exertions under the Company's protection, have gradually contributed to the accumulation of that public Stock of national wealth, which has enabled this country to stand, almost alone, against the united exertions of nearly all Europe.

Having offered these cursory observations upon matters of such obvious importance, we are directed by the Court to state, that as the pecuniary arrangements necessary for the support of the Company cannot, with propriety or with effect, be made the subject of correspondence, they beg to refer these points, as well as all those of inferior detail, of which there are a great many, to a personal conference between your Lordship and the Deputation of the Court, which had the honor to wait on your Lordship this morning.

We have the honor to be, My Lord,
Your Lordship's most obedient humble servants,

(Signed) JACOB BOSANQUET,
HUGH INGLIS.

The Right Honourable Lord Viscount Melville,
&c. &c. &c.

No. XVII.

Chairman and Deputy's Letter.

A.

AN ACCOUNT, ſhewing the Total Amount of the Official Value of the Bullion and Merchandize imported into, and exported from Britiſh India (Bengal, Madras, and Bombay) to London, America, and Foreign Europe, for Six Years, viz. from 1802-3 to 1807-8, both incluſive.

	Total of the Imports into India.			Total of the Exports.
	Bullion.	Goods and Stores	Total.	Of Goods only.
London :	£ Sterling.	£ Sterling.	£ Sterling.	£ Sterling.
By the Eaſt India Company -	4,939,128	5,547,501	10,486,629	8,108,897
By Commanders and Officers of the Company's Ships - -	179,756	2,640,000	2,819,756	1,939,000
By Britiſh Private-Traders -	1,167,460	1,832,980	3,000,440	5,681,740
Americans - - -	4,543,662	667,654	5,211,316	4,803,283
Foreign Europeans .- -	2,051,093	1,072,960	3,124,053	2,437,752
Total Imports and Exports £	12,881,099	11,761,095	24,642,194	22,970,672

Memorandum.—There has been a ſmall quantity of Bullion exported from India to Europe and America, to the extent of Sicca Rupees 1,75,316, but which is not material to the preſent account.

Note.—The value of the Company's Imports into India is taken from the invoices of the ſhips as they arrived in India, with the addition of ten per cent. upon the invoice price outwards. The value of the Britiſh Private-Trade, as alſo the American and Foreign European, is the Indian official value, and which appears to correſpond pretty nearly with the market prices in India. In order to make a juſt compariſon between the amount of the Company's and the Private or Foreign Trade, the goods ſhould be exactly reduced to the ſame denomination of value; but this is not ſtrictly practicable.

Errors excepted,
(Signed) ROBERT WISSETT.

Eaſt-India Houſe, 4th March 1812.

B.

AN ACCOUNT, ſhewing the Amount of the Official Value of the Bullion and Merchandize imported into, and exported from Britiſh India (Bengal, Madras, and Bombay) to London, America, and Foreign Europe, on an average of Six Years, viz. from 1802-3 to 1807-8, both incluſive.

	Annual average of the Imports into India.			Annual average of the Exports.
	Bullion.	Goods and Stores.	Total of Imports.	Merchandize only.
London :	£ Sterling.	£ Sterling.	£ Sterling.	£ Sterling.
By the Eaſt-India Company -	823,188	924,583	1,747,771	1,351,483
By Commanders and Officers of the Company's Ships - -	29,959	440,000	469,959	323,167
By Britiſh Private Traders -	194,576	305,496	500,072	946,956
Americans - - -	757,277	111,275	868,552	800,547
Foreign Europeans - -	341,849	178,826	520,675	406,292
Total average Imports and Exports £	2,146,849	1,960,180	4,107,029	3,828,445

The Proportions of which are:
Exported to England - $\frac{68}{100}$, or upwards of $\frac{2}{3}$ths.
Ditto to America - $\frac{21}{100}$, or leſs than $\frac{2}{9}$ths.
Ditto to Foreign Europe $\frac{11}{100}$, or leſs than $\frac{1}{8}$th.

The

The exports of individuals from Britain are:

	Bullion	£194,576	
	Goods	305,496	
			500,072
The imports of ditto into Britain			946,956
	Difference, per annum		£446,884

being not a trade but a remittance, deducting the amount of the profit on exports.

Errors excepted,

East India House,
4th March 1812.

(Signed) ROBERT WISSETT.

C

OUTLAY, Commercial and Territorial, of the East India Company at Home and Abroad, made up in respect to the Indian Accounts, to the 30th April 1810, the Home Accounts to the 1st March 1811.

COMMERCIAL OUTLAY.

No. I. Cash	£460,738		
Value of goods sold and unsold	5,053,417		
Value of goods afloat	3,379,389		
House and warehouses	1,207,090		
Balance of property at China and Cape of Good Hope	1,240,652		
Cash, goods, and debts, commercial department India	3,071,637		
		£14,412,923	
Balance of Property at Bencoolen and St. Helena: the outlay at these places being of an anomalous nature, it is stated separately		434,755	
Total Commercial Outlay			£14,847,678

TERRITORIAL OUTLAY, INDIA, *viz.*

No. II. Cash in the several departments, 30th April 1810.

Bengal, S. R. 4,11,38,439, at 2s. per C. R.		£4,772,058		
Madras, Pags. 1,16,24,307, at 8s		4,649,723		
Bombay, B. R. 53,58,932, at 2s. 3d.		602,879		
			£10,024,660	
Debts owing to the Company:				
Bengal, S. R. 1,33,49,444, at 2s. per C. R.	£1,548,535			
Madras, Pags. 94,93,034, at 8s.	3,797,214			
Bombay, B.R. 54,01,917 at 2s. 3d.	607,716			
		£5,953,465		
Stores, &c.:				
Bengal, S. R. 97,82,114, at 2s. per C. R.	£1,134,725			
Madras, Pags, 33,16,927, at 8s.	1,326,771			
Bombay, B.R. 38,31,083, at 2s. 3d.	430,997			
		2,892,493		
			8,845,958	
Balance of property at Prince of Wales's Island			224,406	
Indian territorial outlay			£19,095,024	

TERRITORIAL OUTLAY AT HOME, 1st March 1811.

Debt due from Government, the balance of the original debt of £4,200,000	£1,207,560	
Debt due from Government, the balance of the account for troops,		

No. XVII.

Chairman and Deputy's Letter.

Brought forward	£1,207,560	19,095,024	14,847,678
ftores, fupplies, &c. - -	960,000		
Advances to feveral perfons in India, to be repaid - - - -	19,695		
		2,187,255	
Total territorial outlay - - -			£21,282,279
			£36,129,957
No. III. The expenditure at home and abroad, for the acquifition of territory, &c. being the balance of the ftock account, 1ft March 1811 - - - - - - - - -			15,052,170
Sum total of capital neceffary to carry on the concern -			£51,182,127
No. IV. The capital advanced by the Adventurers -		£7,780,000	
The capital raifed by bond - - -		7,000,000	
Other capital, being a floating debt generally due on various accounts:			
Borrowed of the bank - -	£700,000		
Eftimated commercial floating drafts	600,000		
Sundry fums owing to individuals in England - - - -	2,155,922		
Debts, depofits, arrears of intereft, and allowances and loans, not bearing intereft:			
Bengal - - -	£2,843,134		
Madras - - -	1,017,238		
Bombay - - -	408,792		
		4,269,164	
Debts in India, commercial - - -		62,867	
			7,787,953
Total of capital, without the Bond debt of India,			£22,567,953
No. V. Difference, being the balance neceffary to remain in permanent loans, for the purpofe of carrying on the concern - -			28,614,174
			£51,182,127

Errors excepted,

Eaft-India Houfe, 4th March 1812. (Signed) CHARLES CARTWRIGHT, Accountant General.

D.

STATEMENT of the Contributions from the Eaft India Company to the Public, from the Year 1768 to the Year 1812

Paid from 1768 to 1775, in confequence of an agreement concerning the territorial poffeffion, (7. Geo. III. cap. 57, and 9 Geo. III, cap. 24.) -	£2,169,399
Paid from 1769 to 1773, for indemnity on tea - - -	483,050
Paid in 1779, bounty for feamen raifed for the fervice of Government - -	13,653
Paid in 1780 and 1781, three fhips of the line prefented to Government -	95,349
Paid in 1781 and 1787, per agreement for a new charter in 1781 - -	400,000
Paid in 1789 and 1790, for victualling the navy, and charges of His Majefty's troops in India - - - - - -	500,000
Claim of the Company for fubfiftence of French prifoners of war, and other expences incurred by the Company on account of Government, written off in 1793 per Act of 33 Geo. III. cap. 52, fec. 127. - -	443,632
Paid in 1793 and 1794, for participation, purfuant to the Charter Act of 1793 - - - - - -	500,000
Paid in 1795 and 1796, expence of 3,000 feamen raifed for the fervice of Government - - - - -	57,000
Paid in 1803 and 1804, armed fhips, hired for the fervice of Government, and employed in defence of the country - -	67,330
Lofs, from 1793 to 1811, by faltpetre fupplied to Government at lefs than prime coft, as per obligation of the Charter - - -	405,906
	£5,135,319

Errors excepted,

Eaft India Houfe, 4th March 1812. (Signed) CHARLES CARTWRIGHT, Accountant General.

E.

AN ACCOUNT of the Duties of Cuſtoms and Exciſe received on Goods imported and exported by the Eaſt India Company, in the Year ending January 1811. No. XVII. Chairman and Deputy's Letter

Cuſtoms on Tea	- -	£219,322	
—Other Goods	- -	498,901	
Export Duty	- -	17,653	
Tonnage Duty	-	23,719	
	Total Cuſtoms - -		759,595
Exciſe	- - - - - -		3,453,830
	Total Cuſtoms and Exciſe		£4,213,425

Errors excepted,
(Signed) CHARLES CARTWRIGHT,
Accountant General.

Eaſt India Houſe,
4th March 1812.

No. XVIII.

Minute of a Meeting of the Deputation, the 3d March 1812.

THE Deputation appointed by the Court to confer with the Preſident of the Board of Commiſſioners for the Affairs of India aſſembled this day, in conſequence of their appointment of the 2d inſtant; No. XVIII. Minute of Deputation.

The Chairman laid before the Deputation, Minutes of a conference which the Chairs had with Lord Melville, on the 20th February, and alſo with his Lordſhip, Mr. Perceval, and Mr. Long, on the 24th of February; likewiſe ſeveral Accounts, ſhewing the preſent and proſpective ſituation of the Company's pecuniary affairs.

The Chairman then ſuggeſted certain propoſitions, as hints to be ſubmitted to Lord Melville, which after full deliberation the Deputation reſolved to adopt, and to wait upon his Lordſhip to-morrow, at half paſt ten, for the purpoſe of offering them to his conſideration. Chairman and Deputy's Letter.

No. XIX.

At a Secret Court of Directors, held on Friday, the 6th March 1812.

THE Chairman acquainted the Court, that the Deputation appointed the 2d inſtant had waited on Lord Melville, with a paper containing hints for his Lordſhip's conſideration, which had been approved by the Committee of Correſpondence. No. XIX. Secret Court, 6th March 1812.

The Chairman gave ſome general explanations, as to what paſſed at the conference; and added, that Lord Melville's opinion, on the various propoſitions ſubmitted to him by the Deputation, would be ſtated by his Lordſhip in writing, and ſhould be communicated to the Court as early as poſſible.

No. XX.

Hints approved by the Committee of Correſpondence, and ſubmitted to the Conſideration of the Right Honorable Lord Melville, noticed in the preceding Minute.

THAT the renewal of the Charter ſhall proceed upon the baſis of the Act of 1793, and that no greater extenſion of the trade ſhall be granted than what was allowed by that Act; but the Deputation are ready to recommend to the Court of Directors, and No. XX. Hints.

No. XX.

Hints.

and ultimately to the Court of Proprietors; to admit ſuch modifications as may be deemed neceſſary to give greater facilities to the private trader.

1ſt. No Britiſh or Indian ſhip to ſail, directly or circuitouſly, from a Britiſh port in Europe to China.

2d. No Britiſh ſubject to be permitted to reſide in China, without the Company's licence.

3d. No goods, the growth or produce of China, to be imported into any of the ports of the United Kingdom, except by the Eaſt India Company.

4th. The power of levying duties in India upon Britiſh ſubjects, and the ſubjects of foreign nations, to be continued to the Company, upon the footing on which it at preſent exiſts; and the ſame power, with reſpect to Britiſh ſubjects, to be extended to the diſtricts within the juriſdiction of the courts of Calcutta, Madras, Bombay, and Prince of Wales Iſland.

5th. Saltpetre to be conſidered as a political article, and to be confined excluſively to the Company.

6th. The whole of the Indian trade to be brought to the port of London, and the goods ſold at the Company's ſales, and to be, as at preſent, under the Company's management.

7th. The three per cent. now paid to the Company by the private traders, for the warehouſing and management of the private trade, to be increaſed to five per cent.

8th. No private ſhip to be permitted to ſail for India, except from the port of London.

9th. No ſhip to be permitted to ſail, except under a Licence from the Eaſt India Company. Ships obtaining this licence, to deliver one copy of their journals at the Eaſt India Houſe; and the licence to contain ſuch clauſes, as may be likely to prevent an unlimited or improper intercourſe of individuals with India.

10th. Fire-arms, military and naval ſtores, to be prohibited articles.

11th. Exiſting reſtrictions, with reſpect to the article of piece goods, to be continued.

12th. It being deſirable, as well for the Public as for the Company, that the quality of the ſilk grown in India ſhould not be deteriorated, it is ſubmitted that this article be confined to the Company.

13th. The ſhips of private perſons to be ſubject to the ſame regulations, in reſpect to convoys, &c. as thoſe belonging to the Company.

14th. No private ſhip to be permitted to ſail, either from Great Britain to India, or from India to Great Britain, of a leſs burthen than four hundred tons.

15th. The Company to be ſubject to no obligation with reſpect to Exports to India, except in common with the private traders.

16th. The Laſcars and Chineſe ſailors brought home in private ſhips, to be placed under proper regulations. Not, upon any account, to be ſuffered to wander about the ſtreets of London. Good treatment to be ſecured to them, and the Company to be enabled, by ſome ſummary proceſs, to recover the expences to which they ſhall be ſubjected, in the event of neglect on the part of the owners of ſuch ſhips in theſe reſpects.

17th. The Company to be indemnified for their unexpired engagements for extra ſhipping, provided for the accommodation of the private traders.

18th. An unreſtrained intercourſe with India to be prevented, and the exiſting reſtrictions, with reſpect to reſidence in India, to be continued.

19th. The number of His Majeſty's forces in India to be in future maintained by the Eaſt India Company to be now fixed, and any troops ſent beyond that number (except at the expreſs requiſition of the Eaſt India Company) to be at the charge of the Public.

20th. The

20th. The Company to be releafed from any future account with the Pay Office, and to be henceforward charged, either fo much per regiment of a given force, or fo much per man. No. XX. Hints.

21ft. The prefent heavy current and poftponed demands of the Pay Office againft the Company to be arranged upon fome footing of general equity, and fome advertance in fettling this account made to the fhare which the Company have been obliged to bear in foreign captures not retained by them, and to their having been conftrained to maintain an European and native force, larger than what was required for the defence of the Peninfula, and other heavy expences.

22d. The Proprietors to be fecured, as at prefent, in the receipt of their dividend of ten and a half per cent., upon the faith of which dividend the capital in 1793 was raifed.

23d. The whole of the furplus of the Eaft India Company to be appropriated to a diminution of their debts, until the debts be reduced to the fum of ten millions fterling.

24th. The fums required by the Eaft India Company to liquidate the debt transferred from India to Europe, and becoming payable in 1812 and 1813, to be funded by the Minifter, the intereft of which fhall be regularly paid into His Majefty's Exchequer by the Company, together with any fuch per centage, for the gradual liquidation of the capital or redemption of the fund, as fhall be deemed proper by His Majefty's Minifters.

The Twenty-fifth article did not form a part of the propofitions fubmitted to Lord Melville, but is now introduced by the Committee of Correfpondence, and is as follows, viz.

25th. That, in order to give the utmoft poffible extenfion to the commerce of private merchants, and at the fame time to fecure the Company's exclufive trade to and from China, private fhips be not permitted to go farther eaftward than Point Romania, at the entrance of the China Seas, and to the northward, not beyond the equinoctial line.

N. B. Should it be the intention of Government that private traders fhall be excluded from the Spice Iflands, the limits ought then to be for them not to go to the eaftward of the Straits of Bally, nor to the northward of the Line.

No. XXI.

At a Secret Committee of Correfpondence, the 18th March 1812.

THE Chairman acquainted the Committee, that the Deputy and himfelf had yefterday waited on Lord Melville, and that his Lordfhip had appointed to-morrow, at one o'clock, for a conference with the Members of the Deputation. No. XXI. Secret Committee, 18 March 1812.

The Committee agreed to recommend to the Court to-day, that the Quarterly General Court, to be held on Wednefday, the 25th inftant, be made fpecial, for the purpofe of laying before the Proprietors the Communications which have taken place between His Majefty's Government and the Court of Directors, refpecting the renewal of the Company's Charter.

It was alfo refolved, That the Papers containing the faid communications be printed for the information of the Proprietors, and under the fuperintendance of the Affiftant Secretary.

Draft of a Letter to Lord Melville, to be figned by the Members of the Deputation, requefting that a longer term than that which was fixed in 1793, may be granted for the renewal of the Company's exclufive privileges, was read and approved.

The Chairman calling the attention of the Committee to the correfpondence which had paffed between Lord Caftlereagh and the Chairs at a former period, as to re-

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No. XXI.

Secret Committee, 18 March 1812.

lieving the Proprietors of Eaſt India Stock from the payment of the Income-tax on their dividends,

The ſame was read, viz.

Letters from the Chairs to Lord Caſtlereagh, dated the 2d December 1803 and 7th July 1804; and,

Letters from his Lordſhip to the Chairs, dated 20th December 1803 and 12th September 1804.

Draft of a letter to be ſigned by the Deputation and addreſſed to Lord Melville upon that ſubject; and alſo ſubmitting to his Lordſhip's conſideration, the expediency of providing that the additional dividend of ten ſhillings per cent. paid on the Company's ſtock under the Act of the Thirty-third of His preſent Majeſty, cap. 52, ſec. 124, may be paid out of the general profits of the Company.

No. XXII.

CORRESPONDENCE with the Right Honourable Lord Viſcount Caſtlereagh, noticed in the preceding Minute.

No. XXII.

Correſpondence with Lord Caſtlereagh.

Letter from the Chairman and Deputy Chairman to the Right Honourable Lord Viſcount Caſtlereagh.

My Lord, Eaſt India Houſe, Dec. 2d, 1803.

WE have waited until we had obtained a diſtinct legal opinion from the Company's law adviſer, with reſpect to the power poſſeſſed by the Company of paying the Property-tax out of the Profits of the Company, previous to the declaration of a dividend to the Proprietors of Eaſt-India Stock.

But that opinion having been lately returned to us in a ſhape unfavourable to our hopes and expectations, we have received the injunctions of the Court of Directors to ſubmit this opinion to your Lordſhip's conſideration, and, at the ſame time, to expreſs their hopes, that your Lordſhip and the reſt of His Majeſty's Miniſters will think it juſt and adviſeable, that the power to which we have above referred ſhould be granted to the Company by ſome legiſlative proviſion.

Upon this occaſion we have to obſerve to your Lordſhip, that as the law at preſent ſtands, the Company are obliged to deduct the full amount of the tax in queſtion from all the dividends payable to foreigners or other perſons, however ſmall the amount of their capital ſtock may be; although it is fairly queſtionable, how far the former is legally chargeable to this tax, in reſpect to thoſe profits that may be preſumed to ariſe from the Company's foreign poſſeſſions, and whether the latter, in ſome caſes, may not be entitled to a partial, and in others to an entire return of the tax ſo retained, in reſpect of the ſmallneſs of the proprietors incomes. We muſt alſo ſubmit, that as the greater part of the other public Companies poſſeſs the power, and, as we underſtand, are diſpoſed to exerciſe the means of diſcharging this tax out of their ſurplus profits, it muſt appear doubly irkſome to the Proprietors of Eaſt-India Stock to ſeem an almoſt ſolitary exception to this general practice, particularly when they advert to the diſpoſition which has, at all times, been evinced by them, cheerfully and voluntarily, to come forward for the ſervice of the State, even when their own immediate intereſts have thereby been placed at ſtake.

We feel the more freedom in preſſing this point, becauſe we, in common with your Lordſhip, have entertained an expectation, that the public (after a war which has exiſted almoſt ſince the laſt renewal of the Company's excluſive trade) would have been placed in poſſeſſion of the ſhare of the Company's profits, ſecured to them by the act of 1793, if the enormous taxes which the neceſſities of the State have rendered it neceſſary to impoſe upon teas and the other articles of the Company's Trade, and the inevitable expences of another war, had not placed a bar to thoſe expectations, which we think might otherwiſe reaſonably have been formed.

We

We therefore venture to exprefs a fanguine hope, that under a proper confideration of all the circumftances of the prefent cafe, under a review of the very large Sums annually paid to Government out of the Company's trade, amounting to not lefs than £.3,200,000, as appears by the enclofed account, and which, in fact, ought in part to be confidered as an anticipated partition of the Public out of the Indian revenues, fince nothing fhort of a furplus in India would, we conceive, have enabled the Company to fupport them to the extent they are now impofed;—that, under a due attention to the benefits which even the Public themfelves, (when we advert to their intereft, in the ultimate profperity of the Company) may derive from an increafed value to the price of the Company's Stock, which may be affixed by fuch a meafure, in cafe a commerce, extended beyond its prefent amount (an event not at all improbable), fhould hereafter demand additional funds to carry that commerce on;—and, finally, that under a confideration of what is due to the known and experienced liberality of the Company's efforts in the public fervice, your Lordfhip's interference, with the reft of His Majefty's Minifters, will be given, to affift what, we hope, may be confidered in the light of the neither unjuft or the unreafonable pretenfions of the Court of Directors, in behalf of the body they reprefent upon the prefent occafion.

No. XXII.

Correfpondence with Lord Caftlereagh.

We have the honor to be, My Lord,
Your moft obedient humble fervants,

(Signed) JACOB BOSANQUET,
JOHN ROBERTS.

The Right Honorable Lord Vifcount Caftlereagh,
&c. &c. &c.

Letter from the Right Honorable Lord Vifcount Caftlereagh to the Chairman and Deputy Chairman.

Ld. Caftlereagh's Letter.

GENTLEMEN, Whitehall, 20th December 1803.

I HAVE to acknowledge the honor of your letter of the 2d inftant on the fubject of which I have had a very full and deliberate difcuffion with Mr. Addington.

We fhould both feel anxioufly difpofed to lend our aid to the accomplifhment of any meafure which had a tendency to accommodate the holders of Eaft India Stock, but under all the circumftances of the prefent cafe, regard being had to the exifting appropriations under the act of 1793, the degree in which the funds at home and abroad may be affected by the peculiar circumftances of the prefent year, and the difficulty that muft neceffarily attach to the propofition, whether it be confidered in the light of relieving from the tax a particular defcription of income arifing from property, by throwing the fame on other funds, or in that of a temporary and fpecial increafe of dividend to the Proprietors, we do not feel ourfelves warranted in advifing the Court to fubmit a bill for this purpofe to Parliament.

We are further of opinion, that the relief fought by the meafure is not of that magnitude, which fhould induce the Company to folicit this indulgence from Parliament, under the difficulties above ftated; nor are we perfuaded if, in point of fact, other corporate bodies have fo relieved themfelves from the tax, that the proceeding, on their part, however warranted by law affords a precedent, which in principle, the Eaft India Company, with an enlarged view to their own interefts, fhould be folicitous to follow.

I have the honor to be, Gentlemen,
Your moft obedient fervant,
(Signed) CASTLEREAGH.

The Chairman and Deputy Chairman
Of the Eaft India Company.

No. XXII.

Chairman and Deputy's Letter.

Letter from the Chairman and Deputy Chairman to the Right Honorable Lord Viscount Castlereagh.

My Lord, East India House, the 7th July 1804.

IT is in consequence of the instructions of a General Court of Proprietors which lately assembled to take into consideration the tax levied, in virtue of the 43d of the King, on the dividends payable on East India stock, that we now take the liberty to address your Lordship again on that subject.

Notwithstanding the answer returned by your Lordship to the application which our predecessors in office made to you, under date the 2d December last, for the aid of His Majesty's Ministers, in order to relieve the holders of the Company's stock from the payment of the Property-tax out of their dividends, the Proprietors still think, that whether regard be had to the design and spirit of the Act of 1793, to the general state and circumstances of the Company, or to the peculiar situation of the Stock-holders, they are aggrieved by the operation given, in their case, to the Act imposing a tax on property.

It was after a full consideration and adjustment of the interest of all parties, the Public, the Company, and individuals, that on the renewal of the Charter, the dividend of the Stock-holders was fixed at ten and a half per cent. per annum. The law then made, in allowing it to rise to that rate, forbade it to go higher; and the reduction of it below that rate was left to the discretion of the Proprietors themselves. This was, therefore, understood to be the fixed certain income assigned to the Members of the Company, out of all its funds, territorial and commercial. And hence we think it may fairly be argued, that such a deliberate formal settlement cannot justly be disturbed, but by a proceeding equally direct and appropriate; and that no mere measure of taxation, having only a general aim, without any cognizance of the peculiar circumstances under which this arrangement was concluded, ought to defeat it, because if the contrary principle be once admitted, whilst the Public is still immensely benefitted by Indian revenue and trade, and all the other classes of subjects connected with them continue to derive the advantages provided for them, the Proprietors of that stock, which has been the foundation and support of the whole, may absolutely be divested of all the dividend they were to receive from it. We think, therefore, it may be contended, that conformably to the spirit of the Act of 1793, the Property-tax should not operate upon the dividend, but be a charge upon the general funds of the Company.

This will appear more reasonable, if it be considered that very many of the Proprietors of India Stock, who have held that stock long, receive no more on the cost of it than the common interest of money, namely five per cent, whilst their property is exposed to the influence of all the adverse contingencies to which the Company's affairs are liable; and whilst the Company, that is to say, those Proprietors in their collective capacity, serve as the channel, or medium by which immense advantages are diffused through the nation, in its commerce, its revenues, and the wealth of all the successive races of British subjects, employed in or connected with their territories and affairs. These just observations acquire now a peculiar force, when, in duties and customs alone, the Eastern commerce pays to the State £3,226,000 per annum, and when the receipts of the Company, for the last twelve months, are diminished near a million sterling, in consequence of the new and excessive duties imposed on their trade.

We are unwilling to urge the liberality which the Company has on all occasions manifested, to aid, according to its means, the exertions of the State; but the duty imposed on us by our Constituents requires that liberality should be noticed on the present occasion. By subscribing for two millions of the Loyalty Loan in 1797, the Company lost the sum of £206,000. The three compleat and effective regiments of volunteers, which they have maintained for a number of years past, have cost them very large sums; and the last aid given by them in shipping, on the particular suggestion of Government, is a new instance of the promptitude and alacrity, with which they devote their funds to the support of the public interest.

After all these contributions, it has appeared ungracious to the Proprietors, that, whilst other public bodies, which had not given so largely to the wants of the State, were

were allowed to defray the Property-tax out of their general funds, the Proprietors of Eaſt-India Stock were required to charge the modicum they received for the uſe of their own money, and for being the agents in ſuch vaſt concerns, with a tax hard upon them though unimportant in its amount, to the Public, and from which they conceive the Act of 1793 ought to protect the dividend then accorded to them. No. XXII. Chairman and Deputy's Letter.

When our predeceſſors in office mentioned a reference to Parliament, they probably had no more in view than ſome ſuppoſed neceſſity of a modification of the Property-tax; but we humbly apprehend that, in order to exonerate the Proprietors, individually from the payment of the tax, no ſuch reference is neceſſary, ſince for engaging in the Loyalty Loan, for forming the three regiments of volunteers, and for the late aid of ſhipping, it was thought ſufficient that His Majeſty's Miniſters ſhould conſent to the defraying of the charges ariſing from theſe meaſures, out of the general funds of the Company.

Wiſhing to ſtate nothing upon this ſubject, but what appears to us naturally to grow out of it, we ſhall only add, that the effect of the impoſed tax upon the value of the Company's ſtock muſt be very obvious, ſince the dividend receivable upon any public fund is, in fact, the meaſure of its value in the market, and every deduction, by whatever means, effected in the produce of any ſtock, is in reality a reduction in the worth of the capital; and, accordingly, we find that the ſtock of the India Company, compared with that of the Bank, ſells at a price diſproportionably low.

Upon all theſe grounds, with thoſe which have been before urged, we cannot but requeſt and hope, that as the determination of the point which our Conſtituents, not from intereſt only, but from various other motives, have ſo much at heart, ſeems not to depend upon any reviſionary proceeding of Parliament (which however, if neceſſary, we ſhould ſtill urgently deſire) but upon the acquieſcence of His Majeſty's Miniſters. we cannot but earneſtly requeſt and hope, that it will ſeem expedient to your Lordſhip to add your own recommendation to this repreſentation, and that you will have the goodneſs to ſubmit both to the Chancellor of His Majeſty's Exchequer.

We have the honor to be, My Lord,
Your moſt obedient humble ſervants,

(Signed) W. F. ELPHINSTONE.
CHARLES GRANT.

The Right Honorable Lord Viſcount Caſtlereagh,
&c. &c. &c.

Letter from the Right Honorable Lord Viſcount Caſtlereagh to the Chairman and Deputy Chairman. Lord Caſtlereagh's Letter.

GENTLEMEN, India Board, 12th September 1804.

IN compliance with the deſire of the Court of Proprietors, as expreſſed in your letter of the 7th July laſt, I have reconſidered, with the moſt earneſt diſpoſition at all times to promote their wiſhes, the opinion which I before preſumed to expreſs, on the propriety of their dividends being diſcharged from any deduction on account of the late tax upon property, by cauſing the ſame to be paid out of the general funds of the Company, and I have alſo communicated with Mr. Pitt on this ſubject.

Notwithſtanding the very ingenious reaſoning contained in your Letter, we are clearly of opinion, that a payment of this nature, directed to the individual emolument of the Proprietors of India Stock, and not in any reſpect to the public ſervice of the Company, cannot be iſſued, under the exiſting appropriations affecting their funds, without the expreſs ſanction of Parliament.

Had the tax been directly impoſed on income, as under the former law, we apprehend it never would have ſuggeſted itſelf to the Court of Proprietors, that income derived from the dividends of the Company ſhould enjoy any partial exemption. The policy of the Legiſlature has recently been, to apply the tax to the ſources of income, rather than to levy it, as formerly, upon the ſtatement of the poſſeſſor. It does not appear to us, that this change in the mode of aſſeſſment can juſtify a claim to

No. XXII. Lord Caſtlereagh's Letter.

Perſonal relief from the tax itſelf. If not, the propoſition reſolves itſelf either into an encreaſed dividend, or into a new appropriation of the net proceeds, enabling the Company to charge the tax on their funds generally, as ſome other Corporations have done, who are ſole proprietors in ſuch funds. This opens ſo large a queſtion in principle, and for ſo ſmall an object, either as it affects the intereſt of the Public or the individual Proprietors, that I ſhould conceive, under all the circumſtances, the Court will not feel diſpoſed to preſs it at ſuch a moment upon the attention of Parliament.

I have the honor to be, Gentlemen,
Your moſt obedient humble ſervant,
(Signed) CASTLEREAGH.

The Chairman and Deputy Chairman of the Eaſt-India Company.

No. XXIII.

At a Secret Court of Directors, held on Wedneſday, the 18th March 1812.

No. XXIII. Secret Court, 18 March 1812.

THE Chairman from the Committee of Correſpondence laying before the Court draft of a letter to Lord Melville, to be ſigned by the Deputation, requeſting that a longer term than that which was fixed in 1793 may be granted for the renewal of the Company's excluſive privileges, the ſame was read and approved; as was alſo,

Draft of a letter to his Lordſhip, to be ſigned by the Deputation, ſubmitting to his conſideration the expediency of providing, that the additional dividend of ten ſhillings per cent. paid on the Company's ſtock, under the act of the 33d of His preſent Majeſty, cap. 52. ſec. 124, may be paid out of the general profits of the Company; and alſo, that authority may be given to make the Property-duty on the dividends a charge on thoſe profits.

No. XXIV.

Letter from the Deputation to the Right Honorable Lord Viſcount Melville, noticed in the preceding Minute.

No. XXIV. Deputation Letter.

MY LORD, Eaſt-India Houſe, 18th March 1812.

ALTHOUGH we are aware that this may not be conſidered the proper time to diſcuſs the term of years for which the excluſive privileges of the Company ſhould be renewed, yet, under the proſpect of your Lordſhip's ſoon leaving the India Board, we are anxious to avoid any delay, in requeſting your Lordſhip's attention to that point.

On reference to the negociations in 1793, we obſerve that the principal ground on which the company founded their application for a renewal of their privileges for a long term, was that ſufficient time might be allowed for the liquidation of their debts at intereſt in India, the amount of which, at that period, was ſeven millions ſterling. The term then granted was twenty years, from the 1ſt of March 1794, including the uſual notice of three years, this term being conſidered adequate to the object in view.

The Company's debts at intereſt in India are now ſuppoſed to amount to twenty-five millions ſterling, excluſive of the debt in Europe; we truſt, therefore, it will be evident, that a longer term than that which was granted in 1793 is indiſpenſable, to admit of the gradual reduction of the preſent debt, and the effectual operation of any meaſures which may be determined on for that purpoſe.

Without mentioning any particular term, we take the liberty of referring your Lordſhip to the Act of the 3d of George II. cap. 14, to ſhew that a longer period than that

that granted in 1793 has been conceded; and as, under every view of the fubject, confidering the contingencies of war, or other interruption, we are convinced of the neceffity of a more extended term, for the purpofes of liquidating debts of fuch magnitude, and of reftoring the Company's affairs to that ftate of profperity, which is effential both to them and the Public. We rely with confidence on your Lordfhip's concurrence in the opinion we have fubmitted. No. XXIV. Deputation Letter.

We have the honor to be, with the greateft refpect,
Your Lordfhip's moft obedient, humble Servants,

(Signed) JACOB BOSANQUET,
HUGH INGLIS,
W. F. ELPHINSTONE,
EDWARD PARRY.

The Right Hon. Lord Vifcount Melville,
&c. &c. &c.

No. XXV.

Letter from the Deputation to the Right Honorable Lord Vifcount Melville, alfo noticed in the preceding Minute. No. XXV. Deputation Letter.

My Lord, East India Houfe, 19th March 1812.

IN addition to the fubject on which we had the honor to addrefs your Lordfhip yefterday, there are two points to which we are very defirous of calling your attention before your Lordfhip leaves the India Board.

The firft point, which is mentioned in the hints fubmitted to your Lordfhip on the 4th inftant, is the dividend of ten fhillings per cent. paid to the Proprietors, under the Act of the 33d of His prefent Majefty, cap. 52, fec. 124, from the feparate fund of the Company.

When it was in contemplation to increafe the capital ftock of the Company in 1797, it was found that the payment of this dividend to the Proprietors of the new ftock would have exhaufted the feparate fund, previous to the expiration of the prefent term of the Company's exclufive trade. To guard againft this, a claufe was inferted in the Act of 37th of His Majefty, cap. 31, authorizing the payment of a dividend of ten fhillings per cent. to the proprietors of the increafed ftock, from the annual profits of the Company's trade.

The additional ftock has not been raifed, and the feparate fund has been found adequate to the payment of the dividend of ten fhillings per cent. upon the exifting capital hitherto, and will continue to be fo until the year 1819, when it will be nearly exhaufted.

As the Proprietors have derived from the dividends little more than five per cent. on the capital, it appears to us, that, on the renewal of the Company's privileges, they may entertain a reafonable expectation of continuing to receive this addition of ten fhillings to the ufual dividend of £10 per cent.; and as the feparate fund will not, as ftated above, be fufficient for the purpofe, during any probable term, for which the renewal may be granted, we take the liberty of fubmitting to your Lordfhip's confideration the expediency of providing for the additional dividend, out of the general profits of the Company.

The other point to which we requeft your Lordfhip's attention is, the payment of the Property Duty on the dividends. The Court of Directors and Proprietors have always confidered it a hardfhip, that this duty was not allowed to be paid from the profits of the Company; we have the honor to enclofe copies of letters on this fubject, which were addreffed to Lord Caftlereagh in 1803 and 1804. and we flatter ourfelves that the arguments they contain will induce your Lordfhip, when the queftion of renewing the privileges of the Company is under difcuffion, to recommend that authority may be given to make the Property Duty on the dividends a charge on the general profits of the Company.

As the profits of the Company were fpecifically appropriated by the Act of 1793, fome difficulty may poffibly, from that circumftance, have occurred in conceding this

No. XXV. — Deputation Letter.

this point; but as, in any new arrangement, the ſubject of appropriation will neceſſarily undergo conſiderable modification, we ſhould hope that the objection formerly urged may eaſily be obviated.

If it ſhould be finally determined, that the ſurrender of any conſiderable proportion of the excluſive privileges of the Company is to be made, it appears to be the more neceſſary, that ſome boon ſhould be held out to the Proprietors, in alleviation of the ſacrifices to which their conſent may be required; we hope, therefore, we may be permitted to indulge a confident expectation of your Lordſhip's favourable conſideration of the points now ſubmitted.

We have the honour to be, My Lord,
Your Lordſhip's moſt obedient humble ſervants,

(Signed) JACOB BOSANQUET,
HUGH INGLIS,
W. H. ELPHINSTONE,
EDWARD PARRY,
CHARLES MILLS.

The Right Hon.
Lord Viſcount Melville,
&c. &c. &c.

No. XXVI.

At a Secret Court of Directors, held on Tueſday the 24th of March 1812.

No. XXVI. — Secret Court, 24 March 1812.

THE Chairman from the Committee of Correſpondence laid before the Court a letter from Lord Melville to the Chairman and Deputy, dated the 21ſt inſtant, ſtating his ſentiments in reply to their letter of the 4th inſtant, and encloſing

A paper containing "Obſervations on the Hints ſuggeſted by the Deputation of the "Court of Directors, 3d March 1812."

The Chairman alſo laid before the Court a letter from Lord Melville to the Chairman and Deputy, dated the 23d inſtant, in reply to the two letters which the Deputation from the Court of Directors addreſſed to his Lordſhip on the 18th and 19th inſtant.

The ſame were read.

The Chairman then moving the Court,

Ordered, That the ſeveral papers now read, together with the other correſpondence, which has paſſed, reſpecting the negociation for the renewal of the Company's excluſive privileges, be laid before the General Court to be held to-morrow, and printed, as ſpeedily as poſſible, for the information of the Proprietors.

No. XXVII.

No. XXVII. — Ld. Melville's Letter.

Letter from the Right Honorable Lord Viſcount Melville to the Chairman and Deputy Chairman, noticed in the preceding Minute.

GENTLEMEN, India Board, 21ſt March 1812.

I HAVE delayed anſwering your letter of the 4th inſtant (received the 6th) until I could tranſmit to you, at the ſame time, replies to the ſeveral propoſitions brought forward by the Deputation of the Court of Directors, at our conference on the 4th Inſtant.

In ſubmitting to you theſe obſervations, however, I beg to be diſtinctly underſtood, as conveying to you only the preſent ſentiments of His Majeſty's Government on the ſeveral points to which the propoſitions relate. Public diſcuſſion on ſuch an important queſtion, may poſſibly produce an alteration of opinion on ſome of the details; and though the ſubject has been fully conſidered, it may be deemed neceſſary, in the further progreſs of the meaſure, to propoſe, on ſome points, regulations of a different deſcription from thoſe which are ſuggeſted in the encloſed obſervations.

The

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Ld. Melville's Letter.

The Court of Directors are perfectly correct in ſuppoſing that it is now, as it has been for a conſiderable time paſt, the fixed intention of His Majeſty's Government, to withhold their concurrence from any propoſition which might be ſubmitted to Parliament for continuing to the Eaſt India Company their privileges of excluſive trade on their preſent footing. It is unneceſſary now to diſcuſs, whether the proviſions of the Act of 1793 (by which the Company's monopoly was ſo far relaxed, as to admit the goods of private merchants to be conveyed in the Company's ſhips) have in any degree fulfilled the expectations or intentions of the Legiſlature. It will not be denied that the facilities granted by that act have not been ſatisfactory, at leaſt to the merchants, either of this country or of India. They have been the ſource of conſtant diſpute, and they have even entailed a heavy expence upon the Company, without affording to the Public any adequate benefit from ſuch a ſacrifice. You will do me the juſtice to recollect, that in all our diſcuſſions on this ſubject, both recently and on former occaſions, the admiſſion of the ſhips of merchants in this country into the trade of India, in concurrence with thoſe of the Company, has never been urged as a meaſure, from which much immediate benefit would, in my opinion, be derived, either to the country or to the individuals who might embark in the ſpeculation; and I certainly am not without conſiderable apprehenſion, that, at leaſt on the firſt opening of the trade, the public expectation, as to the Britiſh territories in India affording any conſiderable outlet for Britiſh manufactures, beyond the amount of our preſent exports, may be diſappointed. On that admiſſion, however, and on the neceſſity of guarding againſt the unreſtrained intercourſe of Europeans with the territories of the Company, or of the native States in India (in which alſo I fully concur), nearly the whole of the arguments adduced by the Court of Directors againſt any opening of the trade are founded. But it muſt be recollected, that in determining the queſtion, as to continuing the whole or a part of the Company's monopoly, it will be the duty of Parliament to conſider, not merely whether it may be ſafe to prolong it, but whether it may be unſafe to abridge or aboliſh it. As far as relates to the trade with India, and ſeveral other countries included within the limits of the Company's Charter, the Court do not appear to have ſucceeded in eſtabliſhing the propoſition, that any detriment will ariſe to the public intereſt, either in this country or in India, or ultimately even to the intereſt of the Company themſelves, from the introduction of private adventurers. If the Company carry on their trade more expenſively and with leſs activity and induſtry than private individuals, it is unjuſt to the country, as well as to the inhabitants of Britiſh India, that the excluſive monopoly ſhould be continued; and in ſuch a ſtate of things, the trade is more likely to be advantageous to the country, and beneficial to the individuals in their hands, than in thoſe of the Company: but if the latter ſhall conduct it with ſkill and enterprize, and with due and unremitting attention to economy, the extent of their capital, and the ſuperior facilities which they muſt continue to poſſeſs, of providing their inveſtment in India at the cheapeſt rate, will undoubtedly afford them the means of ſucceſsful rivalſhip with all other competitors.

In adverting, in your letter of the 4th inſtant, to the ſtatement contained in mine of the 17th December, on the propoſed transfer of the Company's army to the Crown, you do not appear to have underſtood accurately the purport of my ſuggeſtion. I entertained no doubt, as to the expediency of continuing to the Company's Governments in India the ſupremacy of their military, as well as civil authority: but though various regulations may poſſibly be neceſſary, with a view to promote the diſcipline and efficiency of the army in India, I am not aware, that any legiſlative enactments are requiſite, except as to the amount of force which His Majeſty may be empowered to maintain in India, at the expence of the Company, and perhaps alſo ſome proviſions, in regard to the relative powers of the Board of Commiſſioners and the Court of Directors.

In your letter of the 4th inſtant, you advert to the queſtion as to how far it may be expedient to admit into the trade with this country, ſhips built in India and manned with Indian ſeamen. This is undoubtedly an important conſideration, as it involves in it, to a certain extent, a departure from the principles on which the navigation ſyſtem of this country has hitherto been conducted. As far as the Eaſt India Company is concerned, it will probably be neceſſary to leave the matter on its preſent footing, during the continuance of the war; but if the trade with India is to be-

No. XXVII. Ld. Melville's Letter.

be opened to all British ships, in the manner already pointed out, there seems to be no sufficient reason for breaking in upon the system of our navigation laws, by permitting any other than British ships, with a due proportion of British seamen, to import colonial produce into the United Kingdom.

I have not thought it requisite, in this letter, to trouble you with any observations on several points adverted to in your's of the 4th instant, which are also noticed in the enclosed paper of hints and of replies to the several propositions. I shall abstain, also, from any remarks on the calculations detailed in your letter, and which are introduced more with the view, as I conceive, to vindicate the Company in their past management of the exclusive trade to India and the government of their territorial possessions, than to any practical results to be derived from your statement, in relation to the matters at present in discussion between His Majesty's Government and the Court of Directors. The Committee of the House of Commons on East India Affairs have already submitted to the House detailed statements on that part of the subject, and in any further reports which they may present they will probably complete the investigation.

I am, Gentlemen,
Your most obedient humble servant,
(Signed) MELVILLE.

To the Chairman and Deputy Chairman
of the East-India Company.

No. XXVIII.

Observations on the Hints suggested by the Deputation of the Court of Directors, 3d March 1812, adverted to in the foregoing Letter.

No. XXVIII. Observations on Hints.

1st, 2d, and 3d. IT is deemed adviseable, with a view to the security of the revenue and to other objects connected with the trade to China, to leave it on its present footing, and to guard by proper regulations, against any encroachment on that branch of the Company's exclusive privilege.

4th. This proposition ought to be acceded to; with the reservation, however, that the Governments in India ought to be restricted from imposing new duties, without the previous sanction of the authorities in England.

5th. The Company are understood to have, in some degree, the power of regulating the internal trade of saltpetre in India; it appears, therefore, to be scarcely necessary to impose any other restrictions on the exportation of saltpetre from India, than such as may be deemed expedient for political objects, especially in time of war.

6th. The adoption of the regulation suggested in this proposition, will probably tend to the security and advantage of the public revenue, in collecting the duties on all articles imported from the East Indies and China, as well as other countries to the eastward of the Cape of Good Hope.

7th. The Company ought at least to be indemnified from the charges incurred by this management.

8th. There does not appear to exist any sufficient reason for preventing ships from clearing out for the East Indies from other ports of the United Kingdom besides the port of London.

9th. It will be necessary, either by the regulations suggested in this proposition, or by others of a similar description, to guard against the evil therein described.

10th. It will probably be necessary to regulate the exportation of military stores to the East-Indies, and also of naval stores in time of war.

11th. It is understood that the object of this proposition is to secure to the manufacturers of piece goods in India the continuance of regular and constant employment, under the same system of local management, for their benefit, which prevails at present. If that object is likely to be attained, without continuing the restrictions mentioned

tioned in this propofition, it certainly would be defirable that they fhould ceafe, except in fo far as it may be neceffary to regulate the importation of Indian piece goods, with a view to the protection of Britifh manufactures.

12th. As no fuch reftriction exifts at prefent in the importation of filk by private merchants, and as the reafons which have hitherto been adduced, on the part of the Court of Directors, for eftablifhing fuch a regulation, though entitled to much confideration, do not appear to be conclufive, it will fcarcely be deemed expedient to agree to this propofal.

13th. This fuggeftion appears to be perfectly reafonable.

14th. It is underftood, that this propofition is founded on a principle of guarding againft the dangers to which veffels of lefs burthen than four hundred tons would be expofed on a voyage to the Eaft-Indies, and alfo of providing for the fecurity of the revenue, which might be affected by permitting importations in fmaller veffels. Thefe reafons, though entitled to due confideration, do not appear to be fufficiently ftrong to juftify the propofed reftriction, or the making a diftinction, in that refpect, between fhips trading to the Eaft-Indies and to other countries.

15th. This feems to be reafonable.

16th. It will be neceffary to provide, by proper regulations, for the care and maintenance of thefe perfons, and for their return to the Eaft-Indies.

17th. This propofal would be wholly inadmiffible, unlefs it were limited to fuch unexpired engagements as do not extend beyond March 1814, when the Company's prefent term of exclufive privileges will expire; but the Public may fairly look to the Company to bear this burthen, as a compenfation, to a certain extent, for the continuance of the exclufive trade to China.

18th. It will be indifpenfably neceffary, for the purpofe of guarding againft the inconvenience herein alluded to, that the exifting reftrictions fhall be continued, with fuch alterations as may be requifite, in the new fyftem of trade.

19th. The number of His Majefty's forces to be maintained by the East-India Company may, without inconvenience, be limited, as herein fuggefted. It will be neceffary, however, in confequence of the increafed extent of the Britifh territories in India, fince the paffing of the Act by which the number is at prefent regulated, that a confiderable addition fhould be made to it.

20th. It will be neceffary, that the prefent fyftem of accounting between the Eaft-India Company and the Paymafter General fhould be abolifhed, and new regulations enacted.

21ft. Thefe demands muft neceffarily be arranged on the principles fuggefted by the Committees of the Houfe of Commons, who have reported upon the fubject of the accounts herein referred to. If it were neceffary or proper, in difcuffing the future regulations which it may be deemed advifable to eftablifh, refpecting the affairs of the Eaft India Company, there would be no difficulty in demonftrating, that the amount of force maintained in India has not gone beyond what was requifite for the defence and fecurity of the Company's poffeffions, and for other operations, intimately and infeparably connected with thofe objects.

22d. The Proprietors ought to be fecured, as at prefent, in their dividend of ten and a half per cent.

23d. The whole of the furplus funds of the Eaft India Company, at home and abroad, ought to be applied, in the firft inftance, to the reduction of debt, till it is reduced in India to the fum of ten millions, and the bond debt at home to the fum of three millions, after providing for a proportionate encreafe of the capital ftock of the company, if they fhall think fit to avail themfelves of the power now vefted in them by law to that effect.

24th. It is intended to fubmit to Parliament a propofition to that effect, or fimilar in fubftance.

25th. If the object adverted to in this propofition can be obtained by exclufion from the dominions of the Emperor of China, and a prohibition to import the produce of that country without licence from the Company, it will be preferable to the mode herein fuggefted. There feems to be no reafon for excluding the private trade from the Spice Iflands.

No. XXIX.

Letter from the Right Honorable Lord Viscount Melville to the Chairman and Deputy Chairman, also noticed in the Minute abovementioned.

No. XXIX.

Ld. Melville's Letter.

GENTLEMEN, India Board, 23d March 1812.

I HAVE had the honor to receive the two letters which the Deputation from the Court of Directors addressed to me, on the 18th and 19th instant.

It is undoubtedly reasonable, that the further term now proposed to be granted to the East India Company of their privileges of exclusive trade and the government of the British territorial possessions in India, should be for such a period, as may be sufficient, if unforeseen contingencies do not arise, to produce a considerable reduction of the debt, both in India and at home. The experience, however, of the last twenty years, has sufficiently demonstrated, that it is impossible to calculate, with any degree of accuracy, on what may be the state of the Company's affairs in India at the expiry of another period of the same duration. If they are prosperous, the same term as was granted in 1793 will be sufficient for the purposes described in your letter of the 18th; but if untoward events shall occur, and the Company shall be again engaged in expensive wars, it will be desirable that Parliament should have the opportunity of reconsidering the subject, and of making such new provisions as the case may appear to require. Under those circumstances, I do not think it will be advisable to propose a longer term than what was granted by the Act of 1793, viz. twenty years from the expiry of the existing period, with three yeras previous notice.

I have no hesitation in admitting that the suggestion in your Letter of the 19th instant, relative to the continuance of the dividend of ten shillings per cent. on the existing capital of the East-India Company, after the separate fund shall be exhausted, is reasonable, and that it will be proper to comply with it.

Your proposition, in regard to the payment of the Property Tax, requires much more consideration, and I cannot, at present, bring myself to concur in the expediency of agreeing to submit it to Parliament. A confident expectation may be entertained, from the state of the Company's revenues in India, and from the reduction of expense which has already taken place, or which may still be effected, both at home and abroad, by means completely within your power, that a large annual surplus will be available towards the reduction of debt; but when it is recollected, that though the amount of the debt in India has recently been considerably diminished, it has been proportionably encreased at home, and considering, also, that provision must be made, for the possible contingency of the Company having to pay, in this country, the interest, not only of their large debt at home but also of the whole debt of India, I do not think that it would be wise or prudent, at least till after the experience of a few years, to make an addition to the permanent charges of the Company at home, to the amount of the Property Tax upon their dividends.

I am, Gentlemen,
Your most obedient humble servant,

The Chairman and Deputy Chairman of the East India Company. (Signed) MELVILLE.

COPIES of the CORRESPONDENCE that has taken place between The Prefident of the Commiffioners for the Affairs of India, and the Chairman and Deputy Chairman of the Court of Directors of The Eaft India Company;—together with the MINUTES of the Court of Directors of the faid Company;—refpecting the Renewal of their exclufive Privileges:——As laid before the Proprietors of Eaft India Stock, at their feveral General Courts, fubfequent to the 25th of March 1812.

At a Secret Committee of Correfpondence, the 31ft March 1812.

READ again, and confidered, Letter from Lord Melville, dated the 21ft March; and his Lordfhip's Obfervations on the Hints.

AT a General Court of the United Company of Merchants of England trading to the Eaft Indies, held on Thurfday the 2d April 1812;—

MINUTES of the laft Court, of 25th ultimo, were read. The Chairman acquainted the Court, that it was affembled for the purpofe of taking into confideration the Papers which were laid by the Court of Directors before the General Court on the 25th ultimo.

It was then moved; and, after a mature deliberation,

Refolved unanimoufly, That this Court, having perufed the Papers laid before them at the laft General Court, defire to exprefs the high fenfe which they entertain of the great ability, zeal, and fidelity, with which the Directors have maintained the intereft of the Eaft India Company. They return them thanks for the powerful and convincing arguments by which they have fhown the danger which would await the Britifh Empire from opening the Trade of India, and the immenfe advantages which the nation has derived, in ftrength, revenue, territory, and character, from the capital and the exertions of this corporation.

That although this Court will feel it their duty, on all occafions, to bow to the determination of the Legiflature, they cannot but obferve with extreme concern, that no propofition is fuggefted of an increafed or further dividend, either now or hereafter, or advantage of any kind whatever, to the proprietors of Eaft India ftock; notwithftanding the negotiation for the renewal of the Charter in 1793 begun with a propofal for an increafe of dividend of two *per cent.* which Charter opened the trade but in a limited and partial degree; and notwithftanding that while fuch great and progreffive advantages have been obtained for the public at large, the proprietors themfelves have made little more than common intereft of their money. That now to be called upon to part with an undefined proportion of a trade thus eftablifhed, and maintained hitherto at their fole expenfe, without any confideration for the fame, feems to them to be wholly inequitable. Under thefe impreffions, this Court confides to the Honourable Court of Directors the care of its interefts in the further negotiation for a new Charter, trufting to the

juſtice of their fellow citizens, as well as to His Majeſty's Government and to Parliament, that they ſhall receive that liberal treatment which they regard themſelves as ſo eminently entitled to at the hands of their Country.

And that the Directors be requeſted to report their proceedings from time to time to this Court.

That this Court cannot contemplate the eſſential change propoſed in the conſtitution of the Company, by an unreſtrained trade to and from India, without great concern and apprehenſion; not ſo much on account of the injury to which it will ſubject the Company in their commercial privileges and profits, as on account of the tendency which ſuch a change muſt have to affect the ſyſtem eſtabliſhed by the Legiſlature, for the civil and political government of the Company's territorial poſſeſſions, whilſt it is not at all likely to afford to the commercial intereſts of this country the advantages expected from it.

Should, therefore, the opening of the trade to India, be the ultimate determination of Parliament, this Court cannot but expreſs its hope that all due care will be taken to accompany the enlargements which ſhall be given to individuals in the Indian trade with ſuch regulations as ſhall moſt effectually guard againſt the dangers to which thoſe enlargements might expoſe the exiſting ſyſtem of Indian adminiſtration.

Draught of a Petition to the Honourable Houſe of Commons was then read, being as follows:

To the Honourable the Commons of the United Kingdom of Great Britain and Ireland in Parliament aſſembled;

The humble Petition of the United Company of Merchants of England trading to the Eaſt Indies;

Sheweth,

THAT, by an Act of Parliament made and paſſed in the 33d year of the reign of His preſent Majeſty, intituled "An Act for continuing in the Eaſt India Company for a further term the poſſeſſion of the Britiſh Territories in India, together with their excluſive trade, under certain limitations; for eſtabliſhing further regulations for the government of the ſaid territories, and the better adminiſtration of juſtice within the ſame; for appropriating to certain uſes the revenues and profits of the ſaid Company, and for making proviſion for the good order and government of the towns of Calcutta, Madras, and Bombay;" reciting, that it was expedient that the excluſive trade of Your Petitioners, within the limits of their Charter, which, by an Act made in the 21ſt year of His Majeſty's reign, for eſtabliſhing an agreement with Your Petitioners, and other Purpoſes, was continued to them for a term thereby limited, ſhould be further continued to them and their ſucceſſors, under certain limitations and reſtrictions, for a term of twenty years, to be computed from the 1ſt day of March 1794, liable to be diſcontinued at or after the end of ſuch period, upon three years notice previouſly given by Parliament for that purpoſe; and that during the ſaid further term all the territorial acquiſitions obtained in the Eaſt Indies, which, by an Act made in the 7th year of His Majeſty's reign, for eſtabliſhing an agreement for the payment of a certain annual ſum, for a limited time, by Your Petitioners, in reſpect of the ſaid acquiſitions and the revenues thereof, and by ſubſequent Acts, were continued in the poſſeſſion of the ſaid Company, together with the territorial acquiſitions then lately obtained there, with the revenues of the ſame reſpectively, ſhould remain in the poſſeſſion of Your Petitioners, without prejudice to the claims of the public or of Your Petitioners, ſubject to ſuch powers and authorities for the ſuperintendance, direction, and controul over all acts, operations, and concerns which related to the civil or military government or revenues of the ſaid territories, as had been then already made or provided by any Act or Acts of Parliament in that behalf, and to ſuch further powers, and under and ſubject to ſuch other rules, regulations, and reſtrictions relating to or concerning the ſaid civil government, and the appropriation of the ſaid revenues, as ſhould be then made and provided by the authority of Parliament; it was thereby enacted, that the ſaid territorial acquiſitions in the ſaid former Acts mentioned, together with the

territorial

territorial acquiſitions then lately obtained in the Eaſt Indies, with the revenues thereof reſpectively, ſhould remain and continue in the poſſeſſion of Your Petitioners for and during the further term by that Act granted to them in the ſaid excluſive trade; ſubject nevertheleſs to the ſeveral regulations and proviſions in that Act contained; and by the ſaid Act His Majeſty was empowered to nominate, conſtitute, and appoint, during His pleaſure, ſuch Members of the Privy Council, of whom the two Principal Secretaries of State and the Chancellor of the Exchequer for the time being ſhould always be three, and ſuch other two perſons as His Majeſty ſhould think fit to be, and who ſhould accordingly be and be ſtiled Commiſſioners for the Affairs of India; and the ſaid Board of Commiſſioners were by the ſaid Act inveſted with ſuch full power and authority to ſuperintend, direct, and controul all acts, operations, and concerns which in any ways ſhould relate to or concern the civil or military government or revenues of the ſaid territories and acquiſitions in the Eaſt Indies, ſubject nevertheleſs to ſuch directions, rules, regulations, and reſtrictions, and to ſuch appropriations of the ſaid revenues as were by that Act made, provided, and eſtabliſhed; and it was further enacted, that Your Petitioners and their ſucceſſors ſhould have, uſe, and enjoy, and ſhould continue to have, uſe, and enjoy the whole, ſole, and excluſive trade and traffick, and the only liberty, uſe, and privilege of trading, trafficking, and exerciſing the trade or buſineſs of merchandize in, to, and from the Eaſt Indies, and in, to, and from all the iſlands, ports, havens, coaſts, cities, towns, and places between the Cape of Good Hope and the Straights of Magellan, and limits in an Act made in the 9th year of the reign of King William the Third, or in a certain Charter of the 5th Day of September, in the 10th year of the ſame King, mentioned, in as ample and beneficial manner as Your Petitioners could thereby or otherwiſe lawfully trade thereto, ſubject nevertheleſs to the ſeveral limitations, conditions, and regulations in that Act contained, and alſo ſubject to the proviſo therein-after contained for determining the ſame, any former Act or Acts, matter or thing to the contrary notwithſtanding; and it was further enacted, that Your Petitioners ſhould at all times thereafter (ſubject as aforeſaid) have, hold, and enjoy, and be entitled unto all and ſingular the profits, benefits, and advantages, privileges, franchiſes, abilities, capacities, powers, authorities, rights, remedies, methods of ſuit, penalties, forfeitures, diſabilities, proviſions, matters, and things whatever, which by any former Act or Acts of Parliament, or by any Charter or Charters founded thereupon, or by any clauſe or clauſes in the ſaid Acts or Charters contained, were enacted, given, granted, provided, limited, eſtabliſhed, or declared, to, for, touching, or concerning Your Petitioners, either by the name of "The General Society entitled to the Advantages given by an Act of Parliament for advancing a Sum not exceeding Two Millions for the Service of the Crown of England," or the Body Politic and Corporate called by the name of "The Engliſh Company trading to the Eaſt Indies," or the Body Politic and Corporate called by the name of "The United Company of Merchants of England trading to the Eaſt Indies;" and not by that Act, or any other Act then in force, repealed or altered, according to the tenor and true meaning of the ſaid Acts and Charters, and of that Act, freed and diſcharged from all proviſoes and conditions of redemption and determination in any former Act or Acts contained, and the ſame and every of them were and was thereby ratified and confirmed, and to continue to be held and enjoyed, and be practiſed and put in execution by Your Petitioners and their ſucceſſors, for the better or more effectually ſettling and ſecuring to them and their ſucceſſors the whole, ſole, and excluſive trade to the Eaſt Indies and parts aforeſaid, and for the preventing trade thereto contrary to the true intent and meaning of that Act, and for ſecuring alſo their poſſeſſions, eſtates, and effects, and governing their affairs and buſineſs in all reſpects as fully and effectually as if the ſame profits, benefits, advantages, trade, privileges, franchiſes, abilities, capacities, powers, authorities, rights, remedies, methods of ſuit, penalties, forfeitures, diſabilities, proviſions, matters, and things were ſeverally repeated and at large re-enacted in the body of that Act, ſubject nevertheleſs to ſuch reſtrictions, covenants, and agreements as were contained in the ſaid Acts or Charters then in force, and not therein or thereby repealed, varied, or altered, and ſubject alſo to the ſeveral enactments, conditions, limitations, and proviſoes in

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that Act contained; and it was thereby further enacted, that at any time, upon three years notice to be given by Parliament after the 1ſt day of March, which would be in the year of our Lord 1811, upon the expiration of the ſaid three years, and upon payment made to Your Petitioners of any ſum or ſums which, under the proviſions of any Act of that preſent Seſſion of Parliament, ſhould or might, upon the expiration of the ſaid three years, become payable to Your Petitioners by the public, according to the true intent and meaning of ſuch Act, then and from thenceforth, and not before or ſooner, the ſaid right, title, and intereſt of Your Petitioners to the whole, ſole, and excluſive trade to the ſaid Eaſt Indies and parts aforeſaid ſhould ceaſe and determine; and it was thereby further enacted, that nothing in the ſaid proviſo laſt therein-before contained, or in any proviſo in the ſaid Act of the 9th year of King William the Third, or in the ſaid Charter of the 5th day of September in the 10th year of his reign, or in any other Act or Charter contained, ſhould extend, or be conſtrued to extend to determine the Corporation of Your Petitioners, or to hinder, prevent, or preclude Your Petitioners or their ſucceſſors from carrying on, at all times after ſuch determination of the right to the ſole, whole, and excluſive trade as aforeſaid, a free trade in, to, and from the Eaſt Indies and parts aforeſaid, with all or any part of their joint ſtock in trade, goods, merchandizes, eſtate, and effects, in common with other the ſubjects of His Majeſty, His heirs and ſucceſſors, trading to, in, and from the ſaid parts or limits; and by the ſaid Act it is enacted, that for and during ſo long time as Your Petitioners ſhould be entitled to the whole, ſole, and excluſive trade and traffick in, to, and from the Eaſt Indies and other places within the limits of their Charter, ſubject to the proviſions, regulations, and limitations in that Act contained, the clear profits ariſing from the ſaid territorial acquiſitions and revenues in India, after defraying the charges and expences of collecting the ſame, ſhould be applied and diſpoſed of to the uſes and purpoſes therein mentioned and expreſſed; and alſo that, during the continuance of the excluſive trade to Your Petitioners, the net proceeds of their ſales of goods at home, with the duties and allowances ariſing by private trade and all other profits of Your Petitioners in Great Britain, after providing for the payment of bills of exchange then already accepted by Your Petitioners, as the ſame ſhould become due, and for the current payment of other debts, intereſt, and other outgoings, charges, and expences of Your Petitioners, their bond debt always excepted, ſhould be applied and diſpoſed of in the manner therein mentioned as by the ſaid Act, relation being thereunto had, may more at large appear; that the notice required by the ſaid Act of Parliament hath been given by the Speaker of Your Honourable Houſe, for determining the excluſive trade of Your Petitioners on the 10th day of April 1814; and that, ſince the ſaid Act was paſſed, further territorial acquiſitions, yielding a large revenue, have been obtained by Your Petitioners, and ſuch acquiſitions have been annexed to the ſeveral governments of Your Petitioners in the Eaſt Indies, and ſundry debts, to a large extent, beyond what are mentioned in or referred to by the ſaid Act, have been incurred by Your Petitioners, in the defence and protection of the Britiſh poſſeſſions in India, and by reaſon of wars in which the Britiſh Nation has been engaged with European powers; that ſuch debts bear intereſt, and ſome of them are due in the Eaſt Indies, and others of them have been diſcharged by Your Petitioners, by means of money raiſed on their credit in this country, under the authority of Parliament; and that, by virtue of the terms of the obligations for other part of ſuch India debt, further ſums, to a large amount, will be payable ſhortly in this country, for which purpoſe it will be neceſſary for Your Petitioners to raiſe a further ſum of money here; that the ſyſtem eſtabliſhed by the ſaid Act, for the government of the territorial acquiſitions in the Eaſt Indies, for the management of the revenues thereof, and for the general conduct of the affairs of Your Petitioners, hath been approved by experience; but by the appropriations made by the ſaid Act of the profits ariſing from the territorial revenues in India, and of the profits of Your Petitioners at home, appear to Your Petitioners to be inapplicable to the preſent ſtate of the Indian debts and reſources, and of the concerns of Your Petitioners; that Your Petitioners believe that it is undeniable that the excluſive trade carried on by Your Petitioners has been a great poſitive advantage to the nation; and although they do not preſume to ſtate, as an incontrovertible

trovertible fact, that greater public benefit would accrue from its being continued in its present ftate than from its being any further opened, yet Your Petitioners do venture humbly, but confidently, to affure this Honourable Houfe, that the trade with China could not be opened in any degree without extreme danger; that if it fhould not be feen fit to enlarge the term now held by Your Petitioners in the whole of the trade which they now enjoy without qualification, Your Petitioners are ready to fubmit to fuch regulations as fhall be juft, and as Parliament in its wifdom fhall enact, for the conduct of the commercial intercourfe of His Majefty's fubjects with thofe places which are within the exclufive limits granted to Your Petitioners; that on account of the length and variety of the matters neceffary to be confidered and prepared in relation to the fubject of this Petition, Your Petitioners were unable to prepare a Petition, praying leave to bring in a Bill or Bills relative to the Indian territories and trade, until the time limited for prefenting petitions for private bills was expired; Your Petitioners therefore moft humbly pray, that leave may be given to Your Petitioners now to prefent a petition to this Honourable Houfe, praying that leave may be given to bring in a Bill or Bills for continuing the poffeffion, government, and management of the territorial acquifitions in the Eaft Indies in Your Petitioners, fubject to regulation, and for altering the appropriations of the profits arifing from the Indian revenues; and for enabling Your Petitioners to raife fuch fums of money, or to contract fuch pecuniary obligations as their affairs may require, in refpect of the payment in this country of debts originally contracted in India; and for fettling the trade to the Eaft Indies and China, and other places, from the Cape of Bona Efperanza to the Straights of Magellan; or that Your Petitioners may have fuch other relief as their cafes may require.

And Your Petitioners, as in duty bound, fhall ever pray.

It was then moved; and on the queftion,

Refolved, That this Court do approve the above Petition.

The Court then, on the queftion, adjourned.

AT a Meeting of the Deputation, the 4th of April 1812.

THE Chairman ftated, that himfelf and the deputy had a conference yefterday with the Prefident of the Board of Commiffioners.

Read again, and confidered the hints and obfervations on them.

AT a Secret Committee of Correfpondence, the 6th April 1812.

THE Chairman ftated to the Committee, that the Chairs had a conference yefterday with the Prefident of the Board of Commiffioners.

Letter from Lord Melville, dated the 21ft March, was read and further confidered.

AT a Court of Directors, held on Monday the 6th April 1812.

On a motion,

Ordered, That the Company's feal be affixed to their Petition to the Honourable Houfe of Commons, which was approved in Court, and in the General Court on the 2d inftant; alfo, to a Petition for leave to prefent the fame; and that fuch members of this Court as are members of the Houfe of Commons, be requefted to prefent the faid Petitions.

AT a Court of Directors, held on Thurfday the 9th April 1812.

On a motion,

Refolved, That agreeably to the Court's refolution of the 2d ultimo, appointing a deputation of Directors to confer with His Majefty's minifters on the fubject of a renewal of the Company's exclufive privileges, the under-mentioned gentlemen be appointed for that purpofe; viz.

The Chairman, the Deputy Chairman, the Honourable William Fullarton Elphinftone, Jacob Bofanquet, Efquire, Charles Grant, Efquire, George Smith, Efquire, Edward Parry, Efquire, William Aftell, Efquire.

AT a Meeting of the Deputation, the 11th of April 1812.

THE Chairman ftated, that the deputy and himfelf had a conference with the Earl of Buckinghamfhire, on Tuefday laft.

Read again the hints and obfervations, and deliberated thereon as far as article twelve.

And adjourned to Monday next at two o'clock.

AT a Meeting of the Deputation, the 13th April 1812.

Proceeded in deliberating further on the hints and obfervations,

And adjourned to Wednefday next.

AT a Meeting of the Deputation.

Draught of a letter to the Prefident of the Board of Commiffioners was read and approved.

And the Chairman was requefted to fubmit the fame to the Court of Directors this day.

AT a Secret Court of Directors, held on Wednefday the 15th April 1812.

THE Chairman from the Committee of Correfpondence, fubmitting to the Court draught of a letter to the Prefident of the Board of Commiffioners for the affairs of India.

The fame was read, and unanimoufly approved.

My Lord, Eaft India Houfe, 15th April 1812.

THE correfpondence between the Prefident of the Board of Commiffioners on the part of His Majefty's government, and the Court of Directors of the Eaft India Company, on the fubject of the renewal of the Company's charter, having been laid before the General Court of Proprietors, we now, in confequence of the refolutions of that body, propofe to ourfelves the honour of continuing the correfpondence with your Lordfhip, and efpecially to reply to the letters of the late Prefident, dated the 21ft and 23d of March, and to his obfervations accompanying the former of thefe letters.

In the firft place, however, permit us to offer fome remarks on the outlines of the negotiation, as far as it has hitherto advanced, and on the oppofition which has begun to fhow itfelf to certain propofitions refpecting the neceffity and importance of which His Majefty's Government and the Eaft India Company appear to have entertained fimilar fentiments.

It is manifeft from the letters written on the part of the Court of Directors, that they have contemplated, with the utmoft reluctance, fuch an enlargement of the trade to India as feemed to be defired by His Majefty's Minifters, becaufe they believed that the commercial advantages expected from it to this country would not be realized; and feared that it might eventually endanger the fecurity of the Britifh poffeffions in the Eaft. We muft defire on the part of the Court of Directors, diftinctly, and in the face of the country, to ftate this opinion, not as advanced without conviction, to ferve a caufe, but as the genuine refult of fuch knowledge and experience as the Court poffefs, upon a fubject refpecting which they have better means of information than any of thofe affociations who are now eager to take full poffeffion of the Eaftern trade, and upon which alfo it is certainly material that the public fhould form juft ideas. We have, indeed, yet feen no arguments advanced in anfwer to thofe reafons which the Court have offered againft the opening of the trade, and particularly againft the expectation of the great increafe to be produced by fuch a meafure in the exports from this country to India, and the imports thence. Lord Melville has fignified his concurrence with the Court in thinking that the public

public will be disappointed, at least at first, in this expectation; and though his Lordship has said that " the Court do not appear to have succeeded in establish-" ing the proposition, that any detriment will arise to the public interest, either " here or in India, or ultimately even to the interest of the Company themselves, " from the introduction of private adventurers," we must beg leave to observe, first, that we cannot doubt " the introduction of private adventurers," which his Lordship had in view, was less extensive than is now likely to be contended for by some portions of the public, and was connected in his mind with limitations and restrictions in the conduct of the trade, which those who claim the largest opening of it exclude; and secondly, that several reasons which the Court have urged, to show that much detriment would arise from a general opening of the trade, remain unanswered, either in his Lordship's letters, or in any of the public resolutions we have yet seen. Until of late the general language held on the subject of the Indian trade was rather that the merchants of Great Britain should be allowed to apply their industry to such branches of it, and to such ports of the Indian seas, as the commerce of the Company did not embrace, than that they should invade the portion of the trade which the Company carried on. But now little is said about the advantages to be derived from adventures to the unexplored parts of India; and the objects likely to be most warmly contended for, are not new accessions of commerce to the nation, but a transfer of much of those branches of trade already carried on by the Company in London to individuals in the out-ports. The large concessions at first required from the Company by His Majesty's Government appear only to have encouraged the merchants of the out-ports to make still further demands, regardless, as it would seem, of the political consequences that might ensue from a compliance with them, and apparently unaware too that the corporate capacity of the East India company is perpetual, and cannot be annulled, even if the qualified monopoly they have enjoyed, were to cease.

We are confident, my Lord, it was not the intention of His Majesty's Ministers that the East India Company should be broken down and dispoiled of those faculties necessary to enable it to perform the important part assigned to it by the Legislature, in the government of the British Empire in the East; a part which, probably, it will be allowed to have performed well, and with more safety and advantage to the mother country than any other system hitherto thought of could have done. The benefits accruing to that government by the reciprocal aids of revenue and commerce, the powers of which are united in the constitution of the Company in a way peculiar to it, have been often seen and fully acknowledged, and were it necessary, it would be easy to enlarge upon them. These powers have now become so incorporated that it is impossible to separate them without essentially endangering the whole of a system that has proved in practice eminently useful; if, therefore, the commercial part of that system were now to be destroyed, the political functions exercised by the Company would be so weakened as necessarily to bring into view questions of the last importance to the safety of the British Empire in India, and of the British Constitution at home.

We hence assuredly rely, that the wisdom of parliament and the good sense of the nation in general, will resist those rash and violent innovations upon the system of the Company which the merchants of different towns, proceeding upon theoretical ideas, and overlooking most material facts, now appear to intend, without any certainty, even of extending the commerce of this country, but to the unavoidable detriment of its political interests abroad, and its financial interests at home.

It was in contemplation of dangers, less immediate and alarming than the designs now avowed threaten, that the Court so earnestly proposed that the renewal of the Charter should proceed, with certain modifications, upon the basis of the Act of 1793, which made the Company the medium of the enlargements of private trade; but having been forced to depart from this preliminary principle, which, they still maintain, consults the true policy of this country, and the sacrifice of which, they may observe by the way, inflicts great injury upon all the

the private intereſts and parties engaged in the Indian trade as eſtabliſhed by that act, particularly on the commanders and officers of the Company's ſhips, whoſe profeſſional merits are univerſally acknowledged. The Court are however perfectly ſatisfied, from the aſſurances already given by His Majeſty's miniſters from the beginning, that any enlargements which may be given in the Indian trade ſhall be accompanied with ſuch proviſions as will guard againſt the dangers to which ſuch enlargements might otherwiſe expoſe the exiſting ſyſtem.

Hints. Obſervations. 1.2.3. 1.2.3. Several of the precautions neceſſary in this view were ſuggeſted in the "*Hints*" ſubmitted by the deputation of the Court to Lord Melville on the 4th March, and upon theſe, and the "*Obſervations*" made on them by him, we now feel ourſelves called upon further to offer ſome elucidations to your Lordſhip.

ON the very important head of the China trade, permit us, my Lord, to remark, that although the ſecurity of the revenue is doubtleſs a very fit conſideration for His Majeſty's government and for parliament, yet the Company do not underſtand that the continuance of their excluſive privilege in this trade is reſted on conſiderations of revenue alone; nor that it ought to be affected by any varying circumſtances in that branch of the public affairs. The Company have the actual poſſeſſion of the monopoly of that trade, which was given them for national purpoſes; and by the perpetuity of their corporate capacity muſt be more capable of maintaining it againſt the competition of private merchants than thoſe merchants would be to drive them out of it. But ſuch competition would be ruinous to the public intereſts; for the Company already ſupply the nation with as much as it wants of China commodities, which are almoſt entirely uſed for home conſumption, and exports woollens and metals of this country to the amount of a million ſterling annually, at a loſs to themſelves during war. By competition the coſt of teas and other China articles would be enhanced, the prices of our ſtaples lowered there; and if individuals could poſſeſs themſelves of the trade the exports in thoſe articles which they could not ſell to profit would be loſt to the country. A ſtruggle, therefore, between the Company and individuals could only produce ruinous conſequences to both. The jealouſy of the Chineſe government, which now allows only one port of that vaſt empire for all its foreign commerce, and ſubjects the European reſidents at Canton to a confinement to their factories for ſix months of the year, and to baniſhment to Macao for the other ſix months, would undoubtedly take alarm at the ingreſs of indefinite numbers of unconnected Engliſhmen from Europe; and if it did not at once exclude them, would ſoon be induced to do ſo by the diſorders which would not fail to follow, and which are on the preſent limited ſcale of intercourſe prevented or palliated only by the extreme caution and eſtabliſhed uſages of the Company's ſupra-cargoes. Thus the trade would be entirely loſt to the country, and with it not only the export of a million of its manufactures annually, but a revenue of four millions, with the fleet of excellent ſhips now employed in that commerce, to the great inconvenience of the people at large, the ruin of particular claſſes, and the complicated injury of the ſtate. The reſort of American ſhips to Canton, without either hindrance from the Chineſe, or conſequent diſorder, affords no parallel to the caſe of an open trade from Great Britain and Ireland to China. Thoſe Americans, few in number, carrying thither only ſilver, and carrying away ſilk cloths as well as tea, derived their reception and protection very much from the orderly Engliſh factory long eſtabliſhed there, who have endured treatment from the Chineſe government to which no repreſentative of His Majeſty could ſubmit. We are ſatisfied, therefore, my Lord, that ſuch proviſions will be introduced into the new Charter as will effectually ſecure this great branch of trade to the Company and the nation in the manner it has hitherto been enjoyed.

4. 4. We ſubmit that this obſervation ought to run thus:—"This propoſition ought "to be acceded to; with the reſervation, however, that the governments in India "ought to be reſtricted from" making any alteration in the rates of the duties ſanctioned by the authorities in England, or that they may hereafter ſanction.

To

To the conceſſion on this head we wiſh it to be added, that the Company ſhall have a fair price for all the ſaltpetre they ſhall ſupply to the government. Hints. Obſervations.

As the confinement of the private trade to and from India to the port of London is an article of eſſential importance on the whole of the preſent queſtion, involving the ſafety of the Company, it may be expedient that we ſtate ſomewhat fully the various and powerful conſiderations on which the propriety and neceſſity of the meaſure reſts. Theſe conſiderations relate to the uſages reſulting unavoidably from the nature of the Company, which, for political as well as commercial purpoſes, it is ſo material to preſerve; from the law of the land; the exiſting rights of individuals; the conveniency of the re-exportation of Indian commodities, and the ſecurity of the public revenue. 5. 6. 5. 6.

From the firſt inſtitution of the Eaſt India Company they have uſed the port of London only; and the practice of ſelling their imports by public auction only is alſo almoſt coeval with the company.

The utility which dictated the firſt of theſe practices is obvious: a little conſideration will ſhew the other to be yet more neceſſary.—If private bargaining and trafficking with individuals, and from day to day, were allowed in the ſales of the great imports of the Company, how many doors would be open for colluſion, impoſition and abuſe! It would be impoſſible the buſineſs could go on in that way; and the very liability of it to ſuſpicion would be enough to deſtroy the confidence of the proprietors and the public.—Beſides, the importations of the Company coming in fleets at ſtated ſeaſons, it ſuited the convenience of all parties that the ſales ſhould alſo be only at ſtated ſeaſons, and public, which would afford the opportunity to buyers to reſort from all parts, foreign as well as domeſtic, to thoſe ſales.

In the ninth and tenth years of King William the Third, the legiſlature interpoſed to prohibit ſale of Eaſt India goods otherwiſe than by public auction, and in the next year of that Prince it was enacted, that Eaſt India goods ſhould be ſold only in London. Thus the law at preſent ſtands.

The immediate object of the legiſlature in theſe enactments appears to have been the ſecurity of the revenue, then appointed to be derived from the cuſtoms laid on Indian goods imported.

And nothing ſo effectual could be deviſed for that ſecurity to bring the imports to one place; to have them lodged under the keys of government officers; to have them ſold publicly in the preſence of thoſe officers; and, finally, to have the duties, thus carefully aſcertained, collected through the medium of the company, with hardly any charge: the whole of this practice is the moſt complete proviſion that can be imagined, againſt defect, fraud, or expenſe, in realizing this branch of revenue to the public.

But if this was material in the time of King William, when perhaps the revenue from Eaſt India goods, including china, did not exceed £100,000, how eſſential muſt it be at preſent to the ſtate, when that revenue exceeds four millions.

With all the care now taken, and when London is the only lawful place of importation, it is well known that teas, ſhawls, ſilks (prohibited for the encouragement of our own manufactures), and other articles, are at the preſent time, to ſome extent, ſmuggled on ſhore from the Eaſt India ſhips, notwithſtanding the penalties of the law; and when, in addition to the legal penalties, the offending parties, if the Company's ſervants, are liable to farther fines and mulcts on all illicit trade. But the hope of evading the heavy duties will ever continue to operate on perſons who look no farther than their own immediate profit or convenience.

Every deviation from the eſtabliſhed uſage would ſo far deſtroy its ſimplicity and efficiency, and open the way to abuſes. Suppoſe the importations to be allowed to go only to one out-port, a new eſtabliſhment, new expenſe, new trouble, would be created, and a channel opened for ſmuggling, fraud, and abuſe. What would it be, then, if ſeveral out-ports were opened for the landing and ſale of Indian and Chineſe goods?

 But

But this ſtill ſuppoſes the Company, either for itſelf, or for private traders, to be the only medium of importation. If, however, all individuals were to be allowed to import, and into all the ports of the United Kingdom, eſpecially if it were allowed to employ ſhips of ſmall burthen, which drawing little water could run into obſcure parts in the remote parts of England, Scotland, and Ireland, where would be the practicability of any ſafe control? Legions of Cuſtom-houſe and Exciſe officers muſt be appointed, at a very great expence; and after all, where the duties are ſo high as they are, eſpecially on the articles of tea, ſilk, and fine muſlins, ſmuggling without end muſt be expected. If private ſhips were allowed to go to the Eaſtern iſlands they could find means to procure tea; and if alſo allowed to return to the out-ports, ſmuggling in that article would be by far the moſt gaining trade.

At preſent, the duties upon Eaſt India goods are collected and paid in London, at a very ſmall expenſe to Government, and to the full extent to which they oughr to be paid. This follows becauſe the value of the goods is aſcertained by competition at the Company's ſales. Were every port to have its India Houſe, where would be this general competition? The ſame goods which pay the duty *ad valorem*, would be liable to one amount of duty at Fowey, to another at Dublin, to a third at Port Glaſgow; all differing from each other, and from that paid at London. There would be no remedy for this inconvenience, whatever may be ſaid by intereſted perſons to the contrary. The endleſs variety of Indian commodities renders it impoſſible that they ſhould generally pay what are called *rated* duties, of ſo much per piece or ſo much per yard. Pepper may pay a fixed ſum by the pound, and ſugar by the hundred weight; but the ſtaple article of piece-goods, and many others, muſt ever be rated by the value, quantity being no juſt criterion.

It therefore follows from what has been above obſerved, that were the trade to be carried to the out-ports of the United Kingdom, the revenue drawn from Indian goods muſt be greatly diminiſhed, and the charges of collecting it greatly increaſed.

Let it be next inquired, What would be the effect of ſuch a charge on different intereſts; the perſons already poſſeſſed of valuable property employed for the Indian trade; the exporters of Indian commodities from this country; and on the Eaſt India Company itſelf?

The City of London, in their corporate capacity, as conſervators of the Thames, and all claſſes of perſons in the metropolis, who are engaged in the building and out-fit of ſhips, in the carriage, warehouſing, ſorting, buying, and ſelling of the Company's goods, have alſo a direct intereſt in the preſent diſcuſſion.

The Eaſt India Dock Company have likewiſe a very great and obvious intereſt in keeping the Indian trade in the Port of London.

With reſpect to the re-export trade in Indian commodities, at leaſt three-fourths of the imports from India have hitherto been for the ſupply of the continental markets. The foreign buyers repoſe confidence in the regularity and publicity with which the Company's ſales are conducted. When the trade was ſolely in the hands of the Company the particulars of their cargoes were publiſhed immediately on the arrival of the ſhips, and diſtributed all over the continent; notices of the quantities to be ſold, and periods of ſale, were alſo publiſhed for the like diſtribution. The ſales of each deſcription of goods were made at ſtated periods, twice in the year; the buyers of courſe knew the ſtate of the market at the time of coming to the ſale, and the purchaſes were made under an aſſurance that no more goods of ſuch deſcription would be diſpoſed of before the next ſale; hence they had a certainty of the market for ſix months. This eſtabliſhed a ſolid confidence, which very much benefited the ſales; ſuch confidence has, no doubt, been much weakened ſince 1793, when private perſons were partially admitted into the trade; the chief object of the private trader being, as it always muſt be, to obtain prompt ſales to meet the payment of bills; Eaſt India goods are frequently re-ſold while they remain in the Company's warehouſe, merely by a transfer of vouchers. The goods when ſo ſold will produce from five to ten per cent.

cent. more than when in the hands of individuals; this is particularly the cafe as to drugs, which are fubject to great adulteration.

The confidence that has been entertained of the Company's regularity and fair dealing has been fuch, that the foreign buyers have given their orders to their correfpondents in London, on the faith merely of the defcriptive marks; and goods, on their arrival on the continent, frequently pafs through various hands before they are finally unpacked.

By the mode propofed it is to be feared the foreign buyer will ceafe to be at any certainty as to his purchafes, and the quality of the commodities; and this may eventually lead foreigners to look directly to India for the fupply that has hitherto been furnifhed through the medium of this country.

To fpeak now of the effects of the propofed change upon the interefts of the Company: and firft, with refpect to the Eaft India trade, properly fo called, as contra-diftinguifhed from the imports from China;—If the mode of private fale of Indian goods in every town in the kingdom were introduced, would not the ftated and the public fales, to which the Company are reftricted, be continually anticipated, and confequently the fupply of the foreign markets be fo alfo; though on the whole thefe markets could not take off more? Could thefe fales, then, fecure a general affemblage of buyers? Could it be reckoned upon, that the Company's goods would go off as they ufually have hitherto done at the fales? Could the prices be expected to indemnify the Company, when the market fhould be lowered by the neceffity or impatience of private importers? Could the realization in money of the Company's Indian imports be depended on—that realization fo neceffary to the finances of the Company? and if not, how could the currency of their affairs be preferved? How could they pay for exports to India? How could they maintain the fleet of fhips they now employ in their Indian Commerce, a fleet fo neceffary for the tranfportation of troops and ftores and warlike fervices in India? And if the Company's Indian commerce failed, and fo much of the Indian imports were transferred to out-ports, what muft become of many of the Company's wharfs, warehoufes, and other articles of dead ftock, formed at a vaft expenfe in confequence of this Indian trade? And where would be the benefit to the nation by the change? Would it be any thing elfe but transferring to Briftol, Liverpool, Glafgow, and Dublin, that which London now has? Would it be really any acceffion of benefit to the empire at large? And what, to look towards India, would be the effect of an unlimited trade from the out-ports of Great Britain and Ireland to all thofe regions? Would it be poffible to enforce the regulations which His Majefty's minifters think abfolutely neceffary for perventing an uncontrolled intercourfe with the Eaft, and for averting the evils that would enfue from it.

Thefe queftions, to add no more, ought to be very clearly and fatisfactorily anfwered, before fo great a change is attempted; before an order of things that has fubfifted fo long, and done fo well, is fubverted and deftroyed. If great and fudden innovations ought at all times to be regarded with caution and diftruft, furely ought thofe in particular which are propofed by men for their own immediate advantage.

But what are the arguments with which the merchants of the out-ports may be fuppofed to enforce their claim? Natural right; the freedom of trade; allowing every man to carry on his own bufinefs in his own way; the odium of the principle of monopoly; the advantage with which they would carry on the trade if they were obliged to bring back their fhips to London, inftead of their own ports; the difadvantage to the country confumers.

To all this it may be replied, that fuppofing the whole true, are thefe arguments of weight and value fufficient to overturn the prefent long-eftablifhed fyftem of the Company, and to endanger fo large a portion of the public revenue? As to the arguments for natural right, &c. fuch arguments muft always be limited by confiderations of practical good. The only practical argument that occurs in favour of the out-ports is the advantage to the merchants themfelves and to the country confumers.

consumers. Now what is the amount of this advantage? Let it not be forgotten that at present it is problematical, at least, whether any great Indian trade can be established by the private merchants; that at any rate the chief part of Indian goods imported into England is intended for re-exportation; that London is the fittest port and mart for the foreign trade, especially since the warehousing act; that there is really little consumption of Indian goods in the interior of this country; and that if no great accession of trade should be brought to the country by the private merchants, then they will have sacrificed the existing system without even attaining the object for which the sacrifice was made.

It may, perhaps, be said, that the Hudson's Bay Company has public sales, and that yet there are sales on account of individuals of the same articles the Company import. But this will form no parallel case as to *companies;* nor is there any great question of revenue concerned. The only article imported by the Hudson's Bay Company is *Furs.* The sales of this article on private account are also by auction; and, it is believed, confined to London. The whole is comparatively a small affair, and can be of no weight in the present question.

Upon the whole, therefore, it seems most certain, that on such slender grounds with respect to advantage (an advantage as before mentioned, only to be taken from London for the out-ports) with so little certainty of establishing any great trade to or from India, with such imminent hazard to the East India Company and to the Revenue, it would be contrary to the prudent policy which this Nation has generally observed, and most unwise in itself to venture upon so great an innovation, some of the effects of which were pointed out to the President of the Board of Commissioners three years ago (Printed Papers, page 30,) effects which by his silence he seems to have admitted; and in a word, it may be apprehended that they would amount to the destruction of the Company's Indian trade, their Indian commercial establishments, their Indian shipping, and finally leave the China monopoly so insulated and unsupported as to bring that also at length to its fall, and with it the whole fabric of the Company, and the great revenue now so easily realized through its medium; nor can it be at all doubtful that in such case the China trade would also be lost to the Nation.

It is not irrelevant to this subject to advert to a passage in the history of the Dutch East India Company, under the year 1602. "The plurality of East India partnership or societies at this time formed in Holland creating much disorder and clashing in that commerce, the States General summoned before them the directors of all those companies, and obliged them to unite for the future into one, to which united company the States granted the sole commerce to East India, for twenty-one years, from the 20th March 1602." They had in consequence, several chambers of East India commerce in Holland, as Amsterdam, Middleburgh, &c. but they were all under one united Direction *.

Hints.	Observations.	
7.	7.	In the time of King William the Company were allowed five per cent. on the private trade.
8.	8.	Many remarks made upon the sixth article will also apply to this which might have properly formed a part of it. We need therefore only observe here, that the permitting of ships to sail from the out-ports will go very materially to injure the interest of those who were let into the Indian trade by the Act of 1793; to increase the danger of colonization abroad, and of injury to the revenues by smuggling at home, as well as another danger to be noticed in the next article.
10.	10.	It is not only to all our Indian possessions that the exportation of military stores ought always to be prohibited, but also to the numerous islands in the Eastern seas, inhabited by a vindictive race of people who may be ready not only to buy warlike stores, but to engage Europeans in their quarrels; and the sailing of ships will certainly increase the danger of these evils.
11.	11.	The existing laws as to piece-goods enables the Company to confine the importation of that article to themselves; they have never availed themselves of

* See Anderson's Commerce, and Macpherson's Annals of Commerce, under 1602.

this

his privilege; but yet it may be proper to continue it, becauſe "the regular and conſtant employment of manufacturers under the exiſting ſyſtem of local management," is a matter of conſequence not likely to be otherwiſe ſo well guarded; and that great importations of piece-goods would operate againſt the home manufactures, whilſt a ſmaller ſelect importation would be uſeful.

Hints. Obſervations.

There is a new reaſon for the ſame reſtriction in favour of the Company in the 12. 12.
article of raw ſilk, becauſe ſuch a general competition is now to be opened againſt them, and becauſe they have at great expenſe in a long courſe of years, by means of their own eſtabliſhments, brought the raw ſilk of Bengal, which they export, to a high ſtate of perfection; and if that article is left to the competition of individuals, who will often have to reſort to the agency of indolent natives, the quality of the article may be expected materially to fall, and the ſilk manufactures of this country to be much worſe ſupplied than they are at preſent.

It is proper to add on this ſubject, that the reſtriction in favour of the Company in the article of piece-goods is by no means of the value it was at firſt, the demand for that Indian ſtaple being now greatly diminiſhed in this country.

Lord Melville has obſerved, on the reaſons which he apprehends had influenced 14. 14.
the Court in propoſing that ſhips of leſs than four hundred tons ſhould not be allowed to ſail to India, that "though entitled to due conſideration, they do not "appear to be ſufficiently ſtrong to juſtify the propoſed reſtriction, or the making "a diſtinction, in that reſpect, between ſhips trading to the Eaſt Indies and to "other countries;" it is therefore deemed neceſſary to diſcuſs the propoſition more at length.

In examining the ſubject of the ſixth propoſition, the facility which ſmall ſhips would afford to ſmuggling were the out-ports opened for the diſpoſal of the homeward cargoes, has already been conſidered. In further ſupport of the fourteenth propoſition, reſpecting the leaſt ſize of ſhips that ſhould be permitted to go to India on account of individuals, the practice of the India Company in the early part of their intercourſe with the Eaſt might be adduced, for they ſoon dropped the ſmaller claſs of ſhips for one of five hundred tons; but as this country in its improved ſtate of navigation and commerce has few ſhips of that burthen, except thoſe employed by the Eaſt India Company, the limiting of ſhips to be now employed in the private trade to India to four hundred tons was ſuppoſed to afford facility to the moſt reſpectable houſes to benefit by the propoſed enlargement of the trade.

Every one will admit that there is more of reſpectability in the larger claſs of ſhips, and this circumſtance ſhould not altogether be loſt ſight of with the inhabitants of India. The impreſſions of the ſuperiority of our maritime ſtrength to that of other nations, and particularly to the Americans, who ſpeak the ſame language, and who navigate very ſmall veſſels to and from the ports of the Eaſt ſhould be kept alive, and, as a reaſon of ſtate, ſhould have its due weight in the conſideration of this ſubject.

It is not only the reſpectability of the *ſhip* that ſhould be attended to, but there is alſo a degree of reſpectability and reſponſibility attached to the character of the commander and of the officers (of whom there is a greater eſtabliſhment in the larger ſhips). Their information is pre-eminent, particularly in thoſe eſſential articles of nautical ſcience, the variation and the lunar obſervations in the navigation of the Indian ſeas, and to and from thence, by ſuch men. A better diſcipline is eſtabliſhed in thoſe larger ſhips which ſuit them; the ſhips are alſo better armed, and leſs liable to capture than veſſels of the ſmaller claſs. The length of voyage requires not only ſuperior equipment and a ſtouter veſſel, but in order to guard againſt contingencies of every kind, ſubordinate officers and their aſſiſtants are indiſpenſable, becauſe in the event of the death of the principal officers the knowledge and ſkill requiſite to ſupply their places, eſpecially in caſes of emergency, could be derived from no other quarter. Small veſſels cannot have theſe neceſſary advantages; an obſervation which applies

more particularly to ſuch petty officers, as carpenters and caulkers, in reſpect to matters that concern the hull of the ſhip, and to medical men in reſpect to the crew.

It has been found by experience that larger ſhips can be navigated at a leſs rate per ton than ſmall ones; hence, one of four hundred tons will require leſs rate of freight than two of two hundred tons; a point of economy in the conveyance of goods, which is not to be diſregarded even in a national view. As India is concerned, the ſmaller veſſels will multiply a deſcription of perſons in the ports, and throughout the country, whoſe conduct may have ſerious effects on the peace and quiet of the Aſiatic governments, from the cauſes before mentioned. The minor ports throughout the country will admit of an intercourſe and connection between Europeans and the Natives, which the vigilance and power of our governments cannot diſcover nor controul.

The ſhips employed in private trade ſhould be conſtrained to navigate with a certain number of Europeans outward, ſo as to prevent as much as poſſible the introduction of native ſeamen to this country; and hence, for the ſake of humanity, a ſurgeon becomes a neceſſary perſon, the employment of whom may well comport with the ſize of ſhips of four hundred tons or upwards, but not with thoſe of two hundred and fifty, or leſs. If the health and lives of ſeamen be thought of conſequence to the ſtate, the larger claſs of ſhips ſhould certainly be preferred. If the preſent ſuperior claſs of Weſt India ſhipping are of four or five hundred tons, where the paſſage is not more than ſix weeks, it appears at leaſt as reaſonable that thoſe employed in an Eaſt Indian voyage, which may laſt many months, ſhould be equally competent and formidable as the running ſhips, and not ſtand on a ſcale beneath thoſe of the firſt claſs upon Lloyd's books, ſo that the premium of inſurance upon the goods ſhipped may be kept at the loweſt poſſible rate.

Whenever ſuch enlargements as may induce the ſubjects of this country to embark very large property in the Indian trade ſhall be opened to them, it muſt be highly expedient that, for ſuch time at leaſt as may be ſufficient for the return of one voyage, the utmoſt poſſible ſecurity which the Legiſlature can deviſe ſhould be provided, in order to check ſuch hazardous adventures as might otherwiſe be carried on in any deſcription of veſſel, or under the conduct of characters not ſufficiently reſponſible, and at the riſk or coſt of the underwriter.

If an honourable commercial intercourſe with India be the object, ſuch wholeſome regulations will promote it; but if ſpeculations of mere chance outward, and ſmuggling homeward, ſhould be in the contemplation of any adventurers, protection to the fair trader, to the Eaſt India Company, and to the revenue, can only be ſecured by ſome efficient law reſpecting the ſize of the ſhips, and their conſequent equipment in ſtores and force, under the conduct of able and reſponſible commanders and crews.

Hints.	Obſervations	
16.	16.	The regulations propoſed with reſpect to Laſcars are only intended for a time of war. No Laſcars ſhould be brought to this country in a time of peace.
18.	18.	The exiſting regulations as to ingreſs and ſettlement of unlicenſed Europeans into the Company's eſtabliſhments and territories to be continued. No Britiſh ſubjects to be allowed to ſettle in any country within the Company's limits, and not under the government of the Company.
19.	19.	The King's forces maintainable by the Company in India not to exceed fifteen thouſand men in all, and this number to be reduced as may be found practicable.
20.	20.	If the propoſition made by the Company, to be henceforth charged ſo much per regiment of a given force, or ſo much per man, be not adopted, we ſhall be glad to receive any ſpecific propoſition for putting upon a clear and equitable footing the adjuſtment of accounts between the Pay-office and the Company. By any ſuch arrangement we cannot doubt that at leaſt the intricacies of the preſent mode of ſettlement, utterly unſatisfactory as it is to the Company, will be got rid of, even if the expenſe ſhould not be diminiſhed; but will it, for example, admit of any queſtion, whether, when the Company have been charged, as they really have

have been, with the expence of an entire recruiting company at home as conſtantly raiſing recruits; and whilſt, in many inſtances, the recruits ſo raiſed have been ſent, not to India but to other quarters, the recruiting company having alſo been at all times available for internal ſervice, it can come within the equity of the 127th clauſe of the Act of 1793, or ever could have been intended to charge the expenſe of ſuch company to the Indian territories; or is it juſt, that the expenſe of the colonel of a regiment employed either at home or on the Continent, or perhaps on a furlough ſtaff appointment, ſhould be partly charged to the Eaſt India Company, and his pay be drawn from them? As all parties therefore agree in the propriety of an alteration, the ſooner it is made the better. Hints. Obſervations.

The Court of Directors have already objected, and muſt ever object, to the arbitrary mode adopted by a Committee of the Houſe of Commons in 1805, for the ſettlement of the demands of the Company on Government. We think it a clear and equitable principle that the expenſe of captures made and not retained by the Company, but transferred to His Majeſty, or by His Majeſty reſtored to the enemy, ſhould be charged to the public. 21. 21.

The ordinary pay of the Company's troops employed on ſuch ſervices, and eſpecially in places out of the ſphere of India, as in Egypt, ſhould alſo be placed on account of the public.

On theſe grounds we beg leave to propoſe, that the balance of demands now made by the Pay Office on the Company be ſet off by the ſums which they are yet unpaid for, the capture of Ceylon, and the Moluccas, and for the expedition to Egypt. Even then the ſettlement will be greatly to the advantage of the public, as the Company have made good to the Pay Office a ſum exceeding two millions; in addition to which they have ſince the year 1797 been charged for King's troops beyond the number for which the law obliged them to pay, at the average annual rate of about three thouſand firelocks, beſides the officers and ſerjeants requiſite for that number of men.

As a ſupplement to this article, the Court cannot help again ſubmitting to conſideration the earneſt deſire and hope of the Proprietors to be exonerated out of the general funds of the Company from the payment of the property tax. The dividends of other public companies are thus exempted; and it is but a ſmall conſideration in the immenſe concerns of the Company, from which the proprietors have, on the whole, yet derived only the ordinary intereſt of money in return for all the hazards their property has run. 22. 22.

The debt of which the Court of Directors meant to ſpeak in the twenty-third propoſition was the whole of the Indian debt, part of which, to the amount of about ſeven millions, has been transferred to England. The obſervation of Lord Melville will coincide with this propoſition; and the Court of Directors can have no material objection to his Lordſhips proviſo reſpecting the reduction of the bond debt at home to three millions; but experience has ſhewn the inconvenience of confining within narrow limits, by parliamentary regulation, the amount of this debt. 23. 23.

Conſidering how probable it is that private adventurers will deſire to obtain a ſupply of the article of tea, in order to be ſmuggled into this country, and to foreign parts, and conſidering alſo the importance of not endangering the commercial intercourſe now permitted by the Chineſe to the Britiſh nation through its long-eſtabliſhed organ the Eaſt India Company, it is obvious that effectual proviſion ought to be made in ſome mode or other for preventing both theſe evils; and we ſhall be glad to hear any propoſitions which were in Lord Melville's contemplation, or may be in your Lordſhip's, as more likely to ſuit that end than the ſuggeſtion we have offered. In the mean time, we feel it incumbent upon us to requeſt your Lordſhip's attention to ſome remarks on the queſtion of admitting private ſhips to the Spice Iſlands. The demand of all Europe for the ſpices of the Moluccas is ſo limited, that one or two of the Company's ſhips may import a ſufficient quantity for the ſupply of it; the diviſion, therefore, of this ſupply among the Company and the merchants in general of this country, will leave ſo little to the 25. 25.

the individuals of the latter clafs, as to form no object worthy of long and diftant enterprize, not to mention that fpices are now rifing up in other parts of the eaft, which renders thefe iflands lefs important than they have been. The maintenance of the Molucca Iflands, which produce no valuable commodity but fpices, occafions to the Company a heavy expenfe, and can only be compenfated by a monopoly of their trade; and if private merchants are to participate in that trade, they ought alfo to bear a proportionable fhare of the charge of eftablifhment in thofe iflands. But the fpice trade is not the moft interefting confideration belonging to this queftion. If in any of the iflands of the Eaftern Seas not belonging to the Company, Britifh fubjects were to fettle, (a thing which the Company, even if armed with legal powers, would find it difficult to prevent after thofe feas fhould be open to all the fhips of this country), it would feem impoffible to hinder them from obtaining, by one means or other, a fupply of the teas of China, for the purpofe of being fmuggled into Europe. That object alone might be tempting enough to induce a fettlement, where no other circumftance was fufficiently inviting; and if from this motive, or a concurrence of others, which might be fuppofed, a number of Englifhmen were once to unite themfelves in that quarter, whither new individuals might continually refort, and whence again they might repair to all the ports of the Indian continent, it would feem fcarcely practicable to preferve the efficiency of regulations formed either here or by the Indian governments, for the exclufion of unlicenfed perfons from their territories. Such would be the danger efpecially of any Britifh fettlement in the Eaftern Archipelago not fubjected to the government of the Company, a danger very ferioufly to be deprecated; and even in thofe held by them, as the Moluccas, if they were open to all Britifh fhips, it may well deferve confideration, whether there might not be fome liability to danger of the fame kind. On all thefe grounds it really feems advifable that Britifh fhips from Europe fhould not have accefs to the Spice Iflands.

HAVING concluded our remarks upon the "Propofitions" and "Obfervations" hitherto brought under difcuffion, we next beg leave to fuggeft fome other regulations growing out of the general fubject now under confideration, and of our paft correfpondence. Thefe, we truft, will be found fo obvioufly proper and neceffary as to require no enforcing argument.

26th Propofition:—That no fhip fhall go from any Britifh colony to the Eaft Indies or China without the fpecial licence of the Company.

27th Propofition:—Private fhips going from the United Kingdom to India, to fail direct from that kingdom thither, and from India to that kingdom, without purfuing any circuitous route.

28th Propofition:—Ships going from this kingdom to India not to engage in the coafting-trade of India, but to be permitted to go from one port of delivery of the original cargo to another, for the full difcharge of it.

We have the honour to be, my Lord,

Your Lordfhip's moft obedient humble Servants,

(Signed) Hugh Inglis, Charles Grant,
Robert Thornton, Edward Parry,
Jacob Bosanquet, William Astell,
W. F. Elphinstone, George Smith.

The Right Honourable
the Earl of Buckinghamfhire,
&c. &c. &c.

AT

AT a Secret Committee of Correfpondence, the 17th April 1812.

THE Committee took into confideration the ftate of the negotiation for the renewal of the Company's exclufive privileges, and deliberated maturely upon the feveral points connected therewith.

AT a Secret Committee of Correfpondence, the 20th April 1812.

THE Chairman laid before the Committee minutes of a converfation held yefterday evening, between the Prefident of the Board of Commiffioners and himfelf.

It was unanimoufly agreed, that the fame be fubmitted to the Court of Directors to-day, together with a minute thereon, now read and unanimoufly approved, being as follows; viz.

Lord Buckinghamfhire ftated, that it had been determined to preferve the monopoly of the tea trade to the Company, but to permit the private traders to fill up and affort their cargoes with nankeens and other articles, the produce of China, which they would procure in India.

His Lordfhip then ftated, that it was the determination of His Majefty's Minifters to recommend to Parliament, to permit private fhips to clear out from any port of the United Kingdom, but that they fhould only be permitted to import into thofe places where the warehoufing fyftem exifted. Sir Hugh Inglis ftated it as his opinion, that the Court of Directors in the firft inftance, and the Court of Proprietors, when laid before them, would refift by every means in their power a meafure fo fatal to the vital interefts of the Company and to the public revenue, as would be the meafure of allowing the fhips of individuals to import into any place but the Port of London; and that fituated as he was, he fhould confider it his duty to refift, and recommend to the Court of Directors, and ultimately the Proprietors, to refift the propofition.

AT a Secret Court of Directors, held on Monday the 20th of April 1812:

THE Chairman from the Committee of Correfpondence, laying before the Court minutes of a converfation between the Prefident of the Board of Commiffioners and himfelf, held yefterday evening;—

The Court after deliberating thereupon, agreed unanimoufly to the following minute; viz.

The Chairman having in a fecret Court of Directors, communicated the minute of a converfation which he held laft night with the Prefident of the Board of Commiffioners, the Court learn from thence with very great concern, that it feems to be the prefent difpofition of His Majefty's Minifters to extend to the merchants of this country the privilege of importing goods from India into all the out-ports of the United Kingdom to which the warehoufing act extends, which ports are in number:—The Court have from the beginning of the negotiation declared their firm conviction, that if the import trade from India were not confined to the port of London, the fyftem of the Company's public fales, their trade to and from China, the dividend, depending chiefly on that trade, and the political functions which, aided by thofe privileges, they exercife for the benefit of the nation in the government of the Indian empire, would be deftroyed, as well as the revenue of this country (by the extenfive practice of fmuggling, which would inevitably follow the propofed alteration) be effentially injured. The Court having never before received from His Majefty's Minifters any intimation that they differed with the Court upon this point—having ftated their opinion, with the reafons for it, to their conftituents and the public,—having feen no argument advanced in oppofition to it,—and remaining ftill perfuaded of its truth, they feel it impoffible, as men of integrity, invefted with public truft and refponfibility, to recommend to their conftituents to abandon the propofition for reftricting the import trade to London; and would moft earneftly requeft His Majefty's Minifters to re-confider the communication.

munication made to the Chairman by the Earl of Buckinghamſhire, and to give the Chairs, or a deputation of the Court, an opportunity of waiting on them, before any final reſolution adverſe to the Company is adopted on this very important head.

AT a Secret Committee of Correſpondence, the 24th April 1812.

THE Committee deliberated on the ſeveral points at iſſue in the preſent negotiation with His Majeſty's Miniſters.

AT a Meeting of the Deputation, the 28th April 1812.

READ and conſidered, a Letter from the Right Honourable the Preſident of the Board of Commiſſioners for the Affairs of India, dated the 27th inſtant.

AT a Secret Committee of Correſpondence, the 28th April 1812.

THE Chairman laid before the Committee a Minute of a Conference held on Saturday laſt, which was read and approved; and the Chairman was deſired to lay the ſame before the Court.

Mem.—This Minute is contained in the ſucceeding Minutes of the Court, No. 54.

AT a Secret Court of Directors held on Tueſday, the 28th April 1812.

THE Chairman from the Committee of Correſpondence reports to the Court, that in conſequence of the requeſt contained in the Minute of the 20th April, which was communicated to Lord Buckinghamſhire, the Chancellor of the Exchequer and his Lordſhip favoured the deputation with an interview on Saturday the 25th inſtant, at which Mr. Wallace was alſo preſent.

At that meeting various points belonging to the preſent negotiation were touched upon, but the diſcuſſion mainly turned on the important queſtion of permitting the ſhips of private merchants generally to import goods from India at the out-ports of the United Kingdom. The deputation urged every thing which occurred to them in ſupport of the propoſition of the Court upon this ſubject, as involving the eſſential intereſts of the Company; but they found with regret, that the impreſſions which His Majeſty's Government had received reſpecting it, ſince the date of Lord Melville's letter of the 21ſt March, were not in conſonance with the ſentiments of the Court of Directors. The Chancellor of the Exchequer, however, and Lord Buckinghamſhire, expreſſed their intention of communicating in writing the judgment they had formed on the ſubject in queſtion, and Lord Buckinghamſhire having accordingly addreſſed a letter to the Chairman, and Deputy Chairman, dated the 27th inſtant, that letter is now laid before the Court.

Gentlemen, India Board, April 27th 1812.

IN communicating to you the ſentiments of His Majeſty's Government, after a full conſideration of the ſeveral points which have been brought under their view, in conſequence of the conferences and explanations I have had with you and the deputation, ſince I had the honour of receiving your note of the 3d inſtant, it is unneceſſary for me to enter upon the diſcuſſion of the hints and obſervations which have been the ſubject of the correſpondence between the late Preſident of the Board of Control and yourſelves, as far as thoſe hints and obſervations have been ſanctioned by the general Court.

It was to have been expected that upon a queſtion involving the various intereſts of ſo large a body as the merchants and manufacturers of the United Kingdom, as well as of the Eaſt India Company, that conſiderable differences of opinion ſhould ariſe, and that reaſons ſhould be alleged of ſufficient weight to ſuggeſt the propriety of reviſing any plan which might originally have been concerted.

Under

Under ſuch an impreſſion, Lord Melville, in his letter of the 21ſt ultimo, deſired it to be diſtinctly underſtood, that public diſcuſſion in the further progreſs of the meaſure might poſſibly produce an alteration in ſome of the details, as well as regulations, of a different deſcription from thoſe which were then ſuggeſted.

You would therefore not have been wholly unprepared for the communication made by me to the Chairman at a perſonal interview, where he was informed that the repreſentations which had been brought before His Majeſty's Government, ſince the publication of the Correſpondence already referred to, had led them to entertain an opinion, that they would beſt conſult the public intereſt by not confining the import trade from the Eaſt Indies to the port of London.

The arguments adduced by you and the other members of the Deputation, and which had been urged with much ability, and at conſiderable length, in your letter of the 15th inſtant, have received the moſt ſerious attention of His Majeſty's Government; but I have to acquaint you, that although they think that the great intereſt of policy and of revenue, as well as of the Eaſt India Company, will render it their duty to propoſe to Parliament that the exiſting reſtraints reſpecting the commercial intercourſe with China ſhould continue, and that the excluſive trade in tea ſhould be preſerved to the Company for whatever term the charter may be renewed, yet that they remain of opinion, that the import trade from the Eaſt Indies ſhould not be confined to the port of London.

They are not, however, inſenſible to the danger and miſchief which the revenue, as well as the Eaſt India Company, might ſuffer, if under the cover of that trade an illicit commerce of tea were to be ſucceſsfully carried on; but they conceive, that regulations both in India and at home may be ſo framed as to guard againſt that danger, and to protect the Company and the revenue, whoſe intereſts in this reſpect equally require ſuch protection from the effects of it.

In ſubmitting therefore the propoſitions to Parliament in this ſhape, the Government are perſuaded, that whilſt they would be ſupporting intereſts juſtly entitled to public conſideration, they would at the ſame time be purſuing a courſe eſſential to the collection of a revenue of nearly four millions ſterling, without breaking in upon that ſyſtem under which the ſalutary proviſions of the Commutation Act ſecure the people of the United Kingdom againſt any failure in the regular and conſtant ſupply of an article which has become a neceſſary of life.

In conſidering the terms propoſed for the renewal of the charter, as they would ſtand, ſhould the ſuggeſtions I have conveyed to you in this letter be adopted, you will be ſenſible of the high importance of bringing to a concluſion an arrangement, in which the intereſts of the Company and the nation at large are ſo deeply implicated, with as little delay as may be deemed compatible with a mature conſideration and ſatisfactory adjuſtment of the ſeveral claims and pretenſions of the parties concerned.

I have the honour to be,
Gentlemen,
Your moſt obedient humble Servant,
(Signed) *Buckinghamſhire.*

To the Chairman and Deputy Chairman
of the Court of Directors.

AT a Secret Committee of Correſpondence, the 29th April 1812.

READ a letter from the Right honourable the Preſident of the Board of Commiſſioners, dated the 27th inſtant.

Read alſo, and approved, draught of letter to the Preſident of the Board of Commiſſioners, in reply.

AT a Secret Court of Directors, held on Wedneſday the 29th April 1812.

THE letter from the Right honourable the Preſident of the Board of Commiſſioners, dated the 27th, and read in Court the 28th inſtant, was again read.

 The

The Chairman from the Committee of Correfpondence laid before the Court, draught of a propofed letter in reply thereto ;—

And the fame was read, and unanimoufly approved.

My Lord, Eaft India Houfe, 29th April 1812.

THE letter which the Chairman and Deputy Chairman had the honour of receiving from your Lordfhip on the 27th inftant, was the day following laid before the Court of Directors, and engaged their moft ferious attention; it has again been confidered by them this day; and we have now to fubmit to your Lordfhip the anfwer which they have inftructed us to make to it; an anfwer, which, from having before well reflected on the principal fubject of your Lordfhip's letter, delivers their mature opinion; and, as they prefume to hope, in the leaft time poffible, being fenfible, with your Lordfhip, that in the prefent critical period of the negotiation all unneceffary delay is to be avoided.

It is with extreme concern the Court find, that fince the publication of the correfpondence between the Prefident of the Board of Commiffioners and the Court of Directors, on the momentous queftion of the renewal of the Company's charter, His Majefty's Minifters have been led by the reprefentations which have been made to them, " to entertain an opinion that they would beft confult the " public intereft by not confining the import trade from the Eaft Indies to the " port of London," and that they ftill hold this opinion.

Not having been made acquainted with the particulars of thofe reprefentations, and having urged various arguments which remain unanfwered, againft the meafure of opening the out-ports to the trade from India, the Court under the difadvantages of fuch a fituation are imperioufly called to the confideration of the circumftances in which the Company are now placed, and in which, according to the beft judgment they can form, the Company would be placed, if the new charter fhould open the out-ports of the United Kingdom to the returns of the Indian trade.

Whatever may be thought, my Lord, by the merchants of this country, of their right to enter into the poffeffion of a trade acquired and maintained through long ftruggles and viciffitudes, at immenfe expenfe, by the Eaft India Company; a trade ftill intimately connected with the fecurity of the vaft empire which the fame Company have gained, and adminifter for the benefit of the nation at large; the Court of Directors are of opinion, that the facrifices they agreed to make of that trade to the public feeling, or, if they may be permitted to exprefs their ideas more accurately, the public prejudice, were very large; and they yielded to them, undoubtedly, under a firm belief, not at that time difcouraged by His Majefty's Minifters, that the importations from India would be confined to London, as well as that the exclufive privilege of the China trade would be carefully fecured to the Company. But the conceffions frankly made by the Court of Directors and Proprietors, who regard themfelves always as a part of the public, and wifh as much as poffible to be in unifon with it, have, it appears, only encouraged further demands; and if the tide of prejudice, of popular clamour, of moft extravagant expectation, and unbounded pretenfion, which have been more induftrioufly than fairly excited, were now to determine the public Councils, not a veftige would remain of that great fabric which has been reared in the courfe of two centuries, uniting with commerce an imperial dominion, which would be fhaken to its foundation by the deftruction of that fyftem which has acquired and preferved it.

It is no furprife, my Lord, to the Court, though it is undoubtedly a great confolation, that His Majefty's Minifters unite with the " great interefts of policy, " and of revenue," thofe of the Eaft India Company; and that it muft hence be their object to continue the political functions of the Company, and the means which are neceffary for the maintenance of thofe functions. On this bafis the Court are happy to have the honour of meeting His Majefty's Minifters, and to continue the prefent difcuffion.

It is perfectly known, that for a feries of years paft, fince the Indian territory has been loaded with an immenfe political debt, the Company have derived no

furplus

ſurplus from the revenues; they have carried on the currency of their home affairs, they have even aided the political concerns of India; and above all, they have made good the dividends to the proprietors from the profits on their commerce; and of late years theſe profits have been derived chiefly from the China trade. From the ſtill exiſting territorial debts of the Company, and the ſcale of their Indian expenditure, after all endeavours to reduce it, the Court of Directors have no proſpect of pecuniary acquiſitions, except through the ſame medium of commerce, for many years to come; and, as already intimated, it is the commercial profits of the Company which enable them to diſcharge the political functions aſſigned to them in the management of the Indian empire. Without this reſource, or ſome equivalent one not within their power, the dividends could not be continued, the value of the ſtock would diminiſh, and the Company be brought to a ſtate of diſſolution.

It is the extinction or material diminution of the commercial profits, ariſing chiefly, as we have ſaid, from the China trade, that we apprehend from the opening of the out-ports to the returns of the Indian commerce. If this extinction or diminution were to take place, your Lordſhip will doubtleſs agree with the Court in admitting, that the fatal conſequences they contemplate would follow; and that after going on a few years on the new plan, the Company would be ſo impaired in its reſources, as to be inadequate to the important part allotted to it in the ſyſtem of Indian adminiſtration.

When the Court of Directors thus view the conſequences of opening the out-ports, His Majeſty's Miniſters will not blame the anxiety with which they reſpectfully contend againſt that meaſure. The duty they owe to their conſtituents, to their own characters, and to the public, requires them in ſuch a caſe to act with the greateſt circumſpection, in order to obtain a reaſonable aſſurance that the terms of the new Charter will be ſuch as will enable the Company to go on efficiently in the performance of the political functions it has hitherto diſcharged.

We do not apprehend, my Lord, that there is any difference in principle on theſe points between His Majeſty's Miniſters and the Court of Directors; the main difference in reſpect to the queſtion of opening the out-ports is, as to the practical effects of that meaſure. It appeared in the conference we had the honour of holding with the Chancellor of the Exchequer and your Lordſhip, to be his opinion that checks could be deviſed to prevent an indefinite extent of ſmuggling Tea, ruinous to the Company, which we fear from opening the out-ports to the Indian trade; we have already given many reaſons for thinking that the practice of ſmuggling would, in ſuch caſe, be uncontrollable. Thoſe reaſons, which need not to be repeated here, we believe it will be difficult for the parties moſt adverſe to the Company to refute; but the ſubject being ſo important in the preſent diſcuſſion, we beg leave to add a few more obſervations on it.

It is a fact notorious, that tea has been ſmuggled by the way of India into this country, even when the duty was comparatively ſmall, when the Indian import trade was confined to eight or ten Company's ſhips, and to the river Thames. How much more, then, is ſmuggling beyond all bounds to be expected when the ſhips ſhall be unlimited in number and ſize, and may reſort to the out-ports of England, Scotland, and Ireland? This practice would be much facilitated, becauſe in the numerous Eaſtern iſlands not ſubject to any European powers, where we have ſaid tea might be brought for Engliſh ſhips rom China, there is no uſage of clearing out veſſels, or giving them papers or manifeſts. It would thence be eaſy for them to break bulk in the paſſage home, and as they approached the coaſts of Britain and Ireland, to put tea, as well as other articles chargeable with duty, on board of ſhips and cutters deſtined either for the ports of the continent, or the remote coaſts of Scotland and Ireland, on which for an hundred miles together, every where acceſſible from the ſea, there is ſcarcely a cuſtom-houſe, and where cuſtom-houſes could not be ſufficiently multiplied. Veſſels of very ſmall ſize being allowed in the Indian trade, they could enter into ports and bays little frequented, and run

goods to be carried inland, and there difperfed. In fome of theNorthern and Weftern ports of the United Kingdom we have heard that collufive practices between the revenue officers and the fmugglers are not unufual; if this is the cafe in refpect to articles which pay a comparatively fmall duty, what would it be where the articles of tea and Indian goods were in queftion? Ships might ftop at intermediate ports for orders, and there fmuggle, as thofe bound to the Weftern coaft, at Cork and Falmouth; thofe to the Eaftern coaft, at Falmouth and the Downs; thofe going North-about on the Irifh and Scotch coafts. Ships having feveral ports of difcharge would thereby obtain facilities in fmuggling, and the ftate of relations between this country and parts of Northern Europe may be fuch as to afford the means of running goods into thofe parts which from their proximity may again be able to fmuggle the goods into our remote ports. In a word, we are led to apprehend that the means and temptation of fmuggling tea, when an unlimited trade is permitted to India and the Eaftern iflands, muft be in a very great degree uncontrollable by any checks which His Majefty's Government can in fuch circumftances interpofe; nor is it to be overlooked, that a clafs of Indian goods, ftyled in the revenue language, *prohibited*, becaufe excluded altogether as interfering with the manufactures of this country, will by all the openings which the new trade will produce, be every where unavoidably brought into ufe. It is true, that even if the return of India were confined to the channel, as we propofe, fmuggling might be expected, but certainly not in our opinion at all to the fame extent; and had we conceived otherwife, the fame objection we now advance againft opening the out-ports, would have been urged againft that enlargement of trade in which the Court have acquiefced, and for the fame reafon, to prevent the ruin of the Company, which, did His Majefty's Minifters apprehend, they would doubtlefs in either cafe have a defire to prevent, even by refufing the required conceffions to the Britifh merchants.

With thefe views, my Lord, deeply impreffed on the minds of the Directors, acting as they are in a moft refponfible fituation, is it too much for them to expect and to requeft, that they may be honoured with the knowledge of thofe means which His Majefty's Government may think would be effectual to prevent the practice of fmuggling, under the new circumftances, to any ruinous or great extent? Could they have a reafonable perfuafion of the practicability of fuch prevention, that would undoubtedly fo far leffen their fears, and the arguments on which they now feel it their duty to infift. They hope not to be mifunderftood in this propofition. Affured both of the defire of His Majefty's Minifters, as well on account of the Company as of the revenue, to prevent fmuggling, and of their belief of the practicability of doing fo; feeling alfo, as the Court do, the delicacy of feeming to interfere in any of the revenue regulations of Government, they are yet fo circumftanced in the prefent critical conjuncture as to find this inquiry moft interefting to the caufe of the Company.

It is indeed true that the Public appear to have a greater concern at ftake here than the Company. The Public may lofe the greater part of a revenue of four millions per annum, whilft the Company can have only to the extent of one million at hazard. But then this one million is all the Company's certain income; if they lofe that, they lofe the foundation on which their efficiency refts, unlefs in the new arrangements fome other refource fhould be provided which fhould fecure the dividend to the proprietors, a provifion which undoubtedly would alfo materially affect the views the Court of Directors now entertain from contemplating the dangers of the Company's China trade. And fuffer us, my Lord, fince the affailants of the Company's privileges are fo loud in reprefenting their interefts as thofe of the nation at large, to add this remark concerning the national intereft in the prefent queftion, that if the revenue of nearly four millions, now fo eafily collected from tea, fhould fail, or fail to the extent of only two millions, other taxes muft be laid upon the public to compenfate for that lofs; and whether the nation will gain fo much otherwife by the propofed enlargements of trade, may be a ferious queftion with thofe who have to decide on this momentous concern; with us it is none. It may deferve alfo to be recollected, that with the

the fall of the Company's China trade will fall the exports of woollens and metals to the extent of a million annually, by which the profperity of the counties of Cornwall, Devon, Somerfet, Dorfet, and Gloucefter, and Norfolk in fome meafure, have been upheld during the arduous ftruggle of eighteen years in which the country has been engaged; the excellent fleet of fhips employed by the Company, with all the long details of intereft connected with them, muft decay, whilft the nation will lofe that certain and regular fupply furnifhed by the Company of the article of tea, an article, as your Lordfhip juftly obferves, now become a neceffary of life.

Before we difmifs this topic, may we be allowed to bring under your Lordfhip's infpection a fuccinct view of the capital and interefts concerned in the Indian and China trade from the port of London.

There are about fourteen hundred commanders and officers belonging to the fhips of the Eaft India Company, befides the feamen, who may be about eight thoufand; the tradefmen engaged in the fupply of the Company's fhipping in the river Thames are about twelve thoufand, and the labourers employed in their warehoufes are about three thoufand; all thefe, with their families and dependants, making an aggregate of upwards of thirty thoufand perfons, would, by the removal of the Indian trade from the port of London, be generally reduced to great diftrefs, and many of them become burthenfome to their parifhes.

The capital now employed in the Indian trade may be moderately computed as follows:

The Company's Capital Stock of £6,000,000. at the price at which many Proprietors purchafed, will amount to - -	£10,800,000
Capital in Warehoufes - - - - -	1,000,000
Capital in Ships - - - - - -	3,800,000
Capital in Docks - - - - -	400,000
Capital of individuals in the Metropolis may be moderately eftimated at - - - - -	5,000,000
	£21,000,000

The trade in which this large capital is employed produces, as we have had occafion repeatedly to obferve, an annual revenue to Government of more than four millions fterling; and the net faving to Government from the prefent mode of collecting the duties may, we conceive, be fairly eftimated at £150,000. per annum. By means of direct and indirect taxation, the capital itfelf and the profits upon it, yield a further fum of large amount to Government; but the productivenefs of the capital in this refpect depends wholly upon the folidity of the bafis on which it refts.

Thefe, my Lord, are the fentiments and obfervations which we are directed to communicate to your Lordfhip. The reflection upon them has, we truft, been mature, though the expreffion of them, in the fhort time allowed for the preparation of this letter, may require indulgence. But we are further fpecially directed to add, that this is a concern of too great moment for the Court to truft to its own judgment, or to act on its own refponfibility; the Directors have therefore fummoned a general Court of Proprietors to meet on Friday next, when the correfpondence with your Lordfhip, including this letter, will be laid before them for their confideration.

We have the honour to be,
My Lord,
Your Lordfhip's moft obedient humble fervants,

(Signed) Hugh Inglis, Edward Parry,
Robert Thornton, Charles Grant,
Jacob Bosanquet, George Smith,
W. F. Elphinstone, Wm. Astell.

The Right Honourable
the Earl of Buckinghamfhire,
&c. &c. &c.

AT

AT a General Court of the United Company of Merchants of England, trading to the East Indies, held on Tuesday the 5th May 1812:

MINUTES of the last Court of the 1st instant were read. The Chairman acquainted the Court, that it is met by adjournment for the purpose of taking into further consideration the papers which were laid by the Court of Directors before the General Court on the 1st instant:

And the Court having considered the same accordingly,

It was, on a motion,

Resolved unanimously, That this Court has learnt with deep concern and surprize,that His Majesty's Ministers have been induced to change the view they first entertained of the propriety of confining to the Port of London the returns of the trade to India now to be permitted to all British subjects. That the measure of opening the out-ports to vessels of all descriptions from India, comprehending in that term the Eastern Islands, appears to this Court to be fraught with consequences ruinous to the Company, and all the long train of interests connected with it, by removing from the Port of London the greater part of the Indian trade which it has hitherto enjoyed—by rendering useless many of the expensive establishments formed there for the merchandize and shipping of that trade, and throwing out of bread many thousands of persons who now derive constant employment from it—by deranging the practice, and frustrating the end of stated public sales, which are useful and important, both to the country and the Company, who are necessarily restricted to this practice; but above all, by affording facilities for the smuggling of teas into the ports and harbours of England, Scotland, and Ireland, to an extent unlimited, and, as this Court apprehend, uncontrollable. That the consequence of this must be the destruction of the Company's China trade, their best source of commercial profit—the failure of their dividend—the depreciation of their stock; and, unless a fund is provided from some other source for the payment of the dividend, inability on their part to continue to perform the functions assigned to them in the government of British India: That if the constitution by which the Indian Empire is now administered should thus be subverted, the excellent system of civil and military service formed under the Company, and maintainable only by such a body, will be broken down; the tranquillity and happiness of the vast population which that empire contains; the interests of this country in Asia, and its constitution at home, will be imminently endangered.

That the professed object for which the proposed changes are to be made, and such immense sacrifices hazarded, namely, the increase of the commerce of this kingdom, cannot be in any great degree attained, there being no practicability of extending, materially, the use of our manufactures among the Indian people; the tonnage allotted by the Company, or afforded by Indian ships in the management of individuals, for such exports, not having been fully occupied. Neither does it appear practicable largely to augment the importation of profitable commodities from thence, of all which the example of the American trade to the East is a proof. British manufactures which they could easily have procured, making no part of it, nor their returns exhibiting any new articles of importance. That therefore the trade now enjoyed by the Company, and individuals, will be the only certain trade to which new adventurers can have recourse. And this will be no addition to the commerce of the country, but only a transfer from one set of hands to another; so that old establishments will be subverted without substituting any thing equally good in their place, and to all appearance with great detriment to the Nation, particularly in the defalcation of a large part of the duties now collected on tea to the amount of four millions sterling per annum; for all which defalcation, whether one, or two, or three millions, new taxes must be laid on the people.

That the cause of the Company has been deeply injured by prejudice, ignorance, erroneous assumptions, and of late by extensive combinations, and by unfair representation,

reprefentation, canvafs, and intimidation, in all which the merits and rights of the Company, the political interefts of Britifh India, and of this country as connected with them, have been left out of fight; and the fingle object of the extenfion of commerce, an object too only of fpeculation in oppofition to paft experience, is the governing principle.

This Court, however, confidently hope that Parliament will not decide the fate of the Company on the reprefentations and demands of private interefts, but on juft and comprehenfive views of national policy; and the Court muft alfo believe that His Majefty's Minifters are too enlightened and equitable finally to adopt any meafure calculated to deftroy the commercial profits of the Company, and thereby to difable them from performing their political functions; this Court, therefore, entirely approving both of the firmnefs which their Directors have fhewn in maintaining the interefts of the Company, and of the manner in which they have in the papers now produced by them defended thofe interefts, doth recommend it to them to perfevere in the negotiation with His Majefty's Minifters upon the fame principles, affured of the determination of this Court to fupport them to the utmoft in maintaining the permanence of the Company, and the national interefts which are involved in their ftability.

Refolved unanimoufly, That the thanks of this Court be given to Randle Jackfon, Efq. for his very luminous and excellent fpeech this day; for the great zeal, ability, and induftry, he has on various occafions, and particularly on this, difplayed for the honour and advantage of this Company.

Refolved unanimoufly, That the warmeft thanks of this General Court be offered to the Chairman, Deputy Chairman, and Court of Directors of this Company, for their very able conduct in the negotiation with Government for the renewal of the Charter, alike evincing the moft luminous ideas of the beft interefts of this Company, and their moft honourable conduct in the management of fo important a concern.

The Court then on the Queftion adjourned.

AT a Secret Committee of Correfpondence the 27th November 1812.

THE Chairman reported to the Committee, that he and the Deputy Chairman had this morning a conference with the Prefident of the Board of Commiffioners, on the fubject of the renewal of the Company's Charter; at which his Lordfhip declared it to be the intention of His Majefty's Minifters not to abandon the propofition they had made for allowing a direct trade between India and the out-ports of the United Kingdom; but that the propofition might be modified, by confining the ports to which fhips fhall be allowed to import goods from India, to a number lefs than that to which the Warehoufing Act now extends. Lord Buckinghamfhire, however, was defirous, before refuming the correfpondence relating to it, that the Committee of Correfpondence fhould hold a conference with Lord Liverpool and himfelf upon the fubject.

The Chairman further ftated, that in reply to Lord Buckinghamfhire the Deputy Chairman and himfelf declined making any obfervation at prefent, but ftated their intention to communicate the fubftance of his Lordfhip's remarks to the Committee of Correfpondence; and alfo expreffed their wifh, that the Committee might have the honour of waiting upon his Lordfhip, previoufly to the propofed conference with Lord Liverpool, to which Lord Buckinghamfhire confented.

The Committee in confequence refolved to affemble at eleven o'clock on Tuefday next, for the purpofe of deliberating upon the fubject of the above communication, previoufly to waiting upon Lord Buckinghamfhire at the hour of two on that day.

My Lord, East India Houfe, 28th November 1812.

WE have the honour to acquaint your Lordfhip that we have communicated to a Secret Committee of Correfpondence the fubftance of the converfation which we had yefterday the honour of holding with your Lordfhip, Mr. Wallace and Mr.

Mr. Sullivan, and in which it was notified to us, that the opinion of His Majeſty's Government remains unaltered regarding the expediency of not confining the import trade from the Eaſt Indies to the port of London.

The Committee received this communication with the deepeſt concern and regret; its members unanimouſly concurring with us in opinion, that ſhould the propoſed extenſion of the trade, even to a ſmall number of the out-ports of the kingdom, be ſanctioned by the Legiſlature, the meaſure will be highly prejudicial to the public revenue, injurious to the Eaſt India Company, and detrimental to the proſperity of the merchants, manufacturers, traders, and other numerous bodies intereſted in the commerce with India, as now carried on through the channel of the river Thames. The Committee being ſtill deſirous of an opportunity of renewing their repreſentations to your Lordſhip upon this important queſtion, before any communication is made to the Court on the ſubject, have directed us to requeſt the honour of a conference with your Lordſhip for that purpoſe. Should it be perfectly convenient to your Lordſhip to receive the Deputation on Tueſday next at two o'clock, we ſhall be able to lay the reſult of the conference before the Court on the following day.

We have the honour to be,
my Lord,
Your Lordſhip's moſt obedient
humble ſervants,
(Signed) *Hugh Inglis.*
Robert Thornton.

The Right honourable
the Earl of Buckinghamſhire,
&c. &c. &c.

Sir, India Board, 28th November 1812.

I HAD the honour of receiving your letter of this day, propoſing that the Secret Committee of Correſpondence ſhould wait upon me at this Board on Tueſday next.

I ſhall be happy to have the honour of ſeeing them; but as I am deſirous that Lord Liverpool, and other members of the Board, ſhould be preſent at the interview, and as I find that twelve o'clock will be more convenient to them than two, you will, I hope, have no objection to make the appointment for the former hour.

I have the honour to be,
Your moſt obedient and faithful humble ſervant,
(Signed) *Buckinghamſhire.*

Sir Hugh Inglis, Bart.
&c. &c. &c.

AT a Secret Court of Directors held on Wedneſday the 2d December 1812.

THE Chairman acquainted the Court, that a meeting took place yeſterday at the Board, between ſeveral of His Majeſty's Miniſters and the Committee of Correſpondence, upon the ſubject of the renewal of the Company's excluſive privileges, when it was agreed that no minutes ſhould be then taken, in order to afford the moſt unreſerved mode of carrying on the diſcuſſion, at the concluſion of which it was underſtood, that His Majeſty's Miniſters would communicate in writing their ſentiments upon the whole of the ſubject.

AT a Secret Court of Directors held on Tueſday the 15th December 1812.

MINUTES of the 2d inſtant were read and approved.

The Chairman ſtated, that two conferences between His Majeſty's Miniſters and the Committee of Correſpondence had taken place ſince the 2d inſtant, viz. on the 5th and 12th inſtant, but that he had nothing further to communicate to the Court in conſequence.

AT

AT a Secret Court of Directors held on Wednefday the 16th December 1812.

THE Court adverting to the ftatement which the Chairman had, with their approbation, made to the General Court to-day as to the late conferences with His Majefty's Minifters, upon the fubject of renewing the Company's exclufive privileges; and this Court deeming it a proper mark of refpect to His Majefty's Minifters that they fhould be apprifed of the fame as early as poffible:—

The Chairman and Deputy Chairman were requefted to wait on the Prefident of the Board of Commiffioners for the Affairs of India to-morrow, to communicate to his Lordfhip what had paffed in the General Court this day, and to ftate to his Lordfhip, that the Court of Directors continue decidedly to entertain the opinion which they have formerly expreffed to His Majefty's Minifters as to the ruinous confequences of admitting the imports from India to the out-ports of this kingdom.

AT a Secret Court of Directors held on Friday the 18th December 1812.

THE Court having refolved itfelf into a Committee of the whole Court,

And being refumed, the following report from the Committee of the whole Court was read:

" The Committee taking into confideration the prefent ftate of the negotia- " tion with His Majefty's Minifters for the renewal of the Company's exclufive " privileges, deem it to be highly important that the fentiments of the Court of " Directors, upon the propofition brought forward for admitting the imports " from India to the out-ports of this kingdom, fhould be unequivocally known—

" The Committee therefore recommend to the Court to pafs a refolution, " ftating, that the propofition in queftion is, for various reafons already fet forth " in the Court's writings, pregnant with ruin to the affairs of the Company, " inafmuch as it would render them incapable of performing the functions allotted " to them, as well in their commercial as in their political capacity; and that the " Court cannot, therefore, confiftently with their duty to their conftituents, re- " commend to them the adoption of fuch a propofition."

And it was, on the queftion,

Refolved unanimoufly, That this Court approve the faid report.

And the Chairman and Deputy Chairman were requefted to wait on the Right Honourable the Prefident of the Board of Commiffioners for the Affairs of India, and to communicate to his Lordfhip the above proceedings of this day.

AT a Secret Court of Directors held on Tuefday the 22d December 1812.

THE Chairman acquainted the Court, that in obedience to their refolution of the 18th inftant the Deputy and himfelf, on Saturday laft, waited on the Right Honourable the Prefident of the Board of Commiffioners for the Affairs of India, with a copy of the minutes of the Secret Court of the 18th inftant.

AT a Secret Committee of Correfpondence the 28th December 1812.

READ a letter from the Right Honourable the Prefident of the Board of Commiffioners for the Affairs of India to the Chairman and Deputy Chairman, dated the 24th inftant; and

Paragraphs propofed to form part of the draught of a Letter to his Lordfhip, in reply.

AT a Secret Court of Directors held on Monday the 28th December 1812.

MINUTES of the 15th, 16th, 18th, and 22d inftant, were read and approved.

READ a letter from the Right Honourable the Prefident of the Board of Commiffioners for the Affairs of India to the Chairman and Deputy Chairman, dated the 24th inftant; alfo,

Paragraphs propofed to form part of the draught of a Letter to his Lordfhip, in reply:

Gentlemen, India Board, 24th December 1812.

THE conferences held at this Board with the Committee of Correfpondence, having had for their object the moft unreferved and candid difcuffions upon points of the greateft importance, with refpect to the renewal of the Eaft India Company's Charter, and it having been underftood that no further fteps fhould be taken upon the fubject until a communication was made by me, in an official fhape, to the Court of Directors, it was not without fome furprife that the copy of their refolution of the 18th inftant was received by His Majefty's Government, becaufe that refolution, adopted under fuch circumftances, appeared to them to have for its object an abrupt termination to all difcuffion.

They cannot, however, confider it the lefs incumbent upon them, through you, as the proper official channel, to bring before the Court of Directors the principles upon which the opinions I have to apprize you have been formed, in order to prefent to the Proprietors and the Public a correct view of a fubject to which fo much importance is attached.

I fhall, therefore, convey to you the fentiments of His Majefty's Government precifely in the terms I fhould have done if no intimation had been made of the refolution of the Court of Directors of the 18th inftant; and with that object I proceed to inform you, that with regard to thofe points to which the attention of the Committee of Correfpondence has been chiefly directed at the conferences held at this Board, the principle uniformly maintained as the bafis of any arrangement for the renewal of the Eaft India Company's Charter, viz. that the merchants of this country have a fubftantial claim to as much liberty of trade as they can enjoy without injury to other important national interefts, cannot be departed from.

It was in the hope that the opening of the export trade with India to the merchants of the City of London and of the out-ports, whilft the import was confined to the Port of London, might not be found inconfiftent with this principle, that a difpofition was felt by the Government to propofe an arrangement to that effect.

In confequence, however, of the promulgation of fuch an intention, feveral perfons interefted in the commerce of the out-ports reprefented in the ftrongeft terms, that the propofed limitation of the import trade from India, rendered the extenfion of the export of no value to them; and they declared themfelves prepared to maintain that this limitation was not called for by any adequate motive of public intereft.

They urged their claim to an equal participation in the general trade to India, and their conviction, that the ground upon which the exclufion in favour of the Port of London was defended, viz. the additional danger of fmuggling, could not be fupported; and they were fatisfied that the alleged danger might be obviated by revenue regulations. They alfo entered largely into the fubject of the China trade, contending ftrenuoufly againft the renewal of the Company's exclufive Charter, and ftated their reafons for believing, that meafures might be adopted by which that trade could be open, without injury to the revenue, and without hazarding the continuance of the intercourfe with the Emperor of China's dominions.

The importance attached to thefe reprefentations induced His Majefty's Government to revife the arrangement which had been in contemplation; and although they did not fee caufe, under all the circumftances bearing upon this queftion,

queſtion, to alter the opinion they had entertained of the propriety of continuing the exiſting reſtrictions upon the commercial intercourſe with China, and of preſerving to the Company the monopoly of the tea trade, they nevertheleſs felt that the merchants belonging to the out-ports had eſtabliſhed a claim againſt an abſolute reſtriction of the import trade to the Port of London.

Under this impreſſion I addreſſed my letter to you on the 27th of April ultimo.

The obſervations made by the Committee of Correſpondence, in their reply of the 29th of the ſame month, did not fail to engage the ſerious attention of His Majeſty's Government; but after the beſt examination of thoſe obſervations, aided by all the information they have obtained from the Boards of Cuſtoms and Exciſe, they are not enabled to concur in the opinion, that the propoſed extenſion of the import trade from India would be productive of any great increaſe of ſmuggling, and certainly not to the extent ſtated by the Court of Directors.

It is conceived, that the apprehenſions entertained on this account might be obviated by various regulations, ſuch as confining the trade to thoſe ports which are, or may be, ſo circumſtanced as to afford ſecurity to the due collection of the revenue, by the limitation of it to veſſels of four hundred tons burthen; by attaching the forfeiture of the ſhip and cargo to the diſcovery of any illicit articles on board; by an extenſion of the Manifeſt Act; by regulations for checking the practice of ſmuggling in the ſhips of the Company; as well as by other proviſions too minute to be entered into at preſent, but which will of courſe be attended to in diſcuſſing the details of the ſubject.

I am perſuaded it will not eſcape your obſervation, that from obvious conſiderations the Engliſh Channel muſt at all times, eſpecially in time of peace, afford facilities and inducements for ſmuggling, which do not occur elſewhere to the ſame extent, on account of the clandeſtine traffic already eſtabliſhed, and the ready communication with the oppoſite ſhore.

But with reſpect to the whole of this part of the queſtion, it is impoſſible to loſe ſight of the deep intereſt which the Government muſt feel in the prevention of ſmuggling. The intereſts of the Company are no doubt involved in it, but thoſe of the Government are ſtill more concerned; and it cannot be ſuppoſed that they would bring forward any propoſition which appeared to them likely to endanger a revenue of from three to four millions, or that, if a defalcation ſhould unexpectedly ariſe, they would not immediately take meaſures for applying a remedy. The Company have therefore an ample ground of confidence, not only in the diſpoſition of Government, but in their effectual co-operation on thoſe points on which the Court of Directors appear to feel the greateſt anxiety, and on which they urged their ſtrongeſt objections to the propoſed arrangement.

The ſeveral articles which may be imported from the countries within the limits of the Company's Charter, and which are charged with an *ad valorem* duty, although, with the exception of tea, they bear a very ſmall proportion to the whole of the revenue collected from the trade from India and China, are nevertheleſs of ſufficient importance to demand the attention of Government, as the queſtion may affect the intereſts of the Eaſt India Company, as well as thoſe of the public revenue.

With this view, it will be neceſſary to conſider, whether, with reſpect to ſome of them, a rated duty might not be ſubſtituted; and whether regulations may not be made for the ſecurity of the duty, *ad valorem*, on thoſe articles which ſhall continue to be ſo charged, and which at the ſame time ſhall prevent their being purchaſed at a price likely to operate injuriouſly to the manufacturers of this country.

The juſtice of the obſervations reſpecting the additional number of Europeans that would find their way to India in conſequence of the extenſion of the trade, muſt be admitted to a certain extent; but it is obvious that this danger would ariſe from the extenſion of the export trade to India, and would ſcarcely be leſſened by confining the import trade to the port of London. Every individual during his reſidence in India would of courſe be ſubject to the exiſting regulations of the local governments.

The ſituation of Laſcars, who are occaſionally employed in the navigation of ſhips from India to this country, would demand the humane interpoſition of the Legiſlature; and there can be no doubt that effectual proviſion for their maintenance while in England, and for their return to India, will be made.

Having gone through the principal points to which our recent conferences have related, it may be proper for me to apprize you, that His Majeſty's Government are of opinion, that the eſtabliſhment of King's troops, which may be requiſite for the preſervation of the peace and ſecurity of the Britiſh poſſeſſions in India, muſt depend upon circumſtances that it would be difficult to anticipate; but as the financial ſituation of the Company may render it neceſſary that the numbers to be maintained at their charge ſhould be limited, there can be no objection to propoſe to Parliament to ſpecify that number by legiſlative enactment.

I have thus endeavoured to bring the ſentiments of His Majeſty's Government before you, with the ſame candour that has been evinced in our recent diſcuſſions; and I can venture confidently to aſſure you, that my colleagues, as well as myſelf, are moſt anxious to promote ſuch an adjuſtment between the Public and the Court of Proprietors as may be ſatisfactory to all parties.

The expediency of adhering to that ſyſtem by which the government of India has been adminiſtered through the intervention of the Company is ſtrongly felt by His Majeſty's Government; but it muſt not be ſuppoſed that there are no limits to that expediency, or that there are no advantages which might reſult from a different courſe.

It is for the Court of Proprietors to decide, whether their own intereſts, as well as thoſe of the numerous perſons depending upon them, both at home and abroad, can beſt be preſerved by their rejection of, or acquieſcence in, thoſe conditions, upon which alone, conſiſtent with their public duty, His Majeſty's Government can ſubmit a propoſition to Parliament for the renewal of the charter.

You, gentlemen, muſt be aware, that from its approaching expiration, proviſion muſt be made, without delay, for the future government of India, and that His Royal Highneſs the Prince Regent, in his ſpeech at the opening of the preſent ſeſſion, has called upon Parliament to make ſuch proviſion.

I have the honour to be,
Gentlemen,
Your moſt obedient and faithful humble Servant,
(Signed) *Buckinghamſhire.*

The Chairman and Deputy Chairman
of the Court of Directors.

AT a Secret Committee of Correſpondence, the 30th Dec. 1812.

DRAUGHT of a letter to the Preſident of the Board of Commiſſioners, in reply to his Lordſhip's letter of the 24th inſtant, was read and unanimouſly approved.

AT a Secret Court of Directors, held on Wedneſday the 30th December 1812.

DRAUGHT of a letter to the Preſident of the Board of Commiſſioners, in reply to his Lordſhip's letter of the 24th inſtant, was read and unanimouſly approved.

My Lord, — Eaſt India Houſe, 30th December 1812.

WE were honoured on the 25th inſtant with the letter which your Lordſhip was pleaſed to addreſs to us on the preceding day, and have laid it before the Court of Directors.

We are inſtructed by the Court to acquaint your Lordſhip, that a General Court of Proprietors of Eaſt India Stock has been ſummoned, for the ſpecial purpoſe of taking into conſideration the important ſubjects treated of in your Lordſhip's letter

letter; and we ſhall loſe no time in ſubmitting to your Lordſhip the reſult of the deliberations at that meeting.

In reference to the firſt paragraph of your Lordſhip's letter, in which the reſolution paſſed by the Court on the 18th inſtant is ſtated to have cauſed ſome ſurpriſe to His Majeſty's Government, as appearing to have for its object an abrupt termination to all diſcuſſion, we are deſired by the Court of Directors reſpectfully to offer the following explanation:

Your Lordſhip is aware, that at the commencement of the recent conferences on the ſubject of the renewal of the Company's Charter, it was agreed between your Lordſhip and the Deputation from the Court, that no minutes ſhould be taken of what paſſed in converſation; accordingly no particular communication was made prior to the receipt of your Lordſhip's letter of the 24th inſtant, of the reſult of theſe conferences; but an earneſt deſire having been expreſſed by thoſe gentlemen in the Direction, who are not members of the Committee of Correſpondence, to be informed whether the differences of opinion formerly known to exiſt on ſome important points between His Majeſty's Government and the Court were in a train of reconciliation, and the general anſwer which we thought ourſelves bound in duty to give not having tended to afford them the ſatisfaction they expected, they deemed it proper that the ſenſe of the Court reſpecting the queſtion of the Out-ports ſhould be formally notified to your Lordſhip, and in conſequence the unanimous reſolution of the 18th was tranſmitted.

Had the Court perceived that that proceeding admitted of the interpretation which has been put upon it by His Majeſty's Government, they would aſſuredly have taken pains more effectually to guard againſt ſo great a miſconception of the real intention, which was no other than to mark their adherence to the opinions they have uniformly entertained on the diſputed queſtion, of extending the import trade from India to the out-ports of this kingdom, which had formed the principal ſubject of diſcuſſion between the members of His Majeſty's Government and the Committee of Correſpondence. It was certainly deſirable for the members of that deputed Committee, and it was thought that it might not be unacceptable to your Lordſhip to know that the ſentiments which they had expreſſed in the courſe of diſcuſſion were ſanctioned by the unanimous concurrence of the body by whom they were delegated. The mode in which the reſolution was adopted was conformable to the uſage of the Court of Directors on ſolemn occaſions, namely, after a report from a Committee of the whole Court, which always requires ſignatures, and which in the preſent inſtance was ſubſcribed by every Director.

We truſt, my Lord, that this explanation of the meaſure alluded to will prove ſatisfactory to your Lordſhip and the other members of His Majeſty's Government; and while we return our ſincere acknwledgements for the attention with which our repreſentations have been liſtened to, in the various interviews with which we have been honoured by your Lordſhip and His Majeſty's Miniſters who attended, we hope, at the ſame time, to ſtand perfectly acquitted of any deſign, either to prevent or embarraſs a full and deliberate diſcuſſion of the great intereſts at ſtake.

It is matter of deep concern to us to find that His Majeſty's Miniſters ſeem ſtill to adhere to the principle of opening the out-ports of the United Kingdom to the importation of commodities from India. We have already, in our letters of the 15th and 29th April laſt, fully ſtated the dangers that muſt reſult to the Company from ſo great an enlargement of the privilege in Eaſtern commerce to Britiſh merchants. We preſume to think our objections to that enlargement have not been adequately anſwered; and we have to expreſs the concern felt by the Court, that no communication has yet been made to them, of thoſe repreſentations which firſt led His Majeſty's Miniſters to entertain, and which induce them ſtill to adhere to the opinion, that the public intereſt will be beſt conſulted by not confining the import trade from the Eaſt Indies to the port of London.

London. It would occaſion much ſatisfaction to the Court ſhould ſuch a communication have the effect of obviating their objections, even in part, to a meaſure, which the moſt imperative conſiderations alone could have influenced them to oppoſe; and were it unfortunately to fail in producing this effect, it is nevertheleſs deſirable that the Court of Directors ſhall have an opportunity of renewing the queſtion with all the intelligence that can be brought to bear upon it. Your Lordſhip has, indeed, been pleaſed to favour us with a brief ſummary of ſome of the arguments uſed by the merchants on this ſubject. Arguments, we muſt own, not in the leaſt convincing to us; and we aſſure ourſelves, that in adverting to them your Lordſhip does not mean that the Company ſhould be concluded, or their fate determined, by what thoſe who oppoſe their intereſts chooſe to advance, although their repreſentations appear to have ſo far influenced His Majeſty's Miniſters as to lead them to think that the merchants "have a "claim to as much liberty of trade as they can enjoy without injury to other "important national intereſts." In thoſe intereſts, we may preſume, are comprehended both the conſideration of the public revenue, and the maintenance of the Eaſt India Company. But what that extent of trade is, "which can be "granted with ſafety to thoſe intereſts," is ſtill a queſtion undetermined. We confeſs, that the regulations contemplated by His Majeſty's Miniſters, ſo far as your Lordſhip has been pleaſed to explain them to us, appear by no means calculated to remove our fears.

The comparative intereſt which the Public and the Company have in preventing the ſmuggling of tea was deſcribed in our Letter of the 29th April; and though it be true, as your Lordſhip obſerves, that the ſtake of the Public in this concern is numerically greater than that of the Company, yet the importance of the Company's inferior ſtake is to them infinitely greater than would be to the Public the importance of the loſs the revenue might ſuſtain: becauſe, as matters now ſtand, the Company have no certain dependence but the China trade for reſources eſſential to their ſubſiſtence. We do not the leaſt queſtion that His Majeſty's Miniſters would be thoroughly diſpoſed to frame additional regulations to prevent ſmuggling tea, ſhould thoſe now in contemplation be tried and be found inſufficient. But, beſides that we extremely diſtruſt the practicability of preventing ſmuggling to a large extent, where the temptations would be ſo great, we muſt entreat your Lordſhip and His Majeſty's Miniſters ſeriouſly to conſider, what would be the ſituation of the Company if they obtained a charter upon no better terms than thoſe now propoſed, and upon trial it ſhould be found that their commercial income failed, and that their dividend ſhould be unprovided for or lowered: their ſtock would immediately fall; their credit would be diminiſhed; the currency of their affairs, in their payments particularly, would be impeded; general alarm and diſſatisfaction in all parties connected with this great eſtabliſhment would be felt; and there would be a neceſſity for going to Parliament again, when evils great, perhaps irretrievable, would have been experienced. It is the duty of the executive body of the Company to carry their views forward to ſuch contingencies, and to ſeek proviſion againſt them; and we muſt beg leave to add, that whatever rights the merchants may claim, or the nation be pleaſed to beſtow on them, it cannot be equitable to make conceſſions to them which ſhould deſtroy the Company who acquired the Indian empire, and who are as much the owners of the chief ſeats of European trade in that empire, as they are of their freeholds in London.

With reſpect to the reſort of Europeans to India, if we do not miſunderſtand the ſcope of your Lordſhip's obſervation, it ſeems to imply that their numbers might be in proportion to the export trade from this country. If indeed they were to be regulated by this ſcale, our apprehenſions would be the leſs; but we have no difficulty in acknowledging, that in addition to all our other arguments againſt admitting importations to the out-ports, we think that the granting of this privilege would increaſe the ſpirit of raſh ſpeculation from Great Britain and Ireland, and thereby the number of adventurers in ſearch of fortune in India;

for

for it is to be remembered, that thofe adventurers would naturally feek for new eftablifhments, even out of the Company's territories, and there endeavour to acquire real property.

But, my Lord, this is only one of many points which require particular regulations; and at the ftage at which we are now arrived in the negotiation we cannot but ftate to your Lordfhip the anxious wifh of the Court to be made acquainted with the whole plan which His Majefty's Government may have it in contemplation to recommend to Parliament for a renewal of the Eaft India Company's Charter, including fuch amendments in the fyftem of the Company's territorial government and adminiftration as paft experience may have indicated; the regulations deemed neceffary for promoting the difcipline and efficiency of the Indian army; the amount of force which His Majefty may be empowered to maintain in India at the expenfe of the Company, and the provifions that may be thought requifite for fettling the relative powers of the Board of Commiffioners and the Court of Directors. Though thefe topics were fpecifically mentioned in the letters from Lord Melville to the Chairs of the 30th September 1808, and the 21ft March 1812, the Court are ftill, in great meafure, uninformed of the arrangements in regard to them, which His Majefty's Government may have in view to propofe; and we entreat alfo, that your Lordfhip will enable us to lay before the Court of Directors, and ultimately the Proprietors, in any fhape that you may judge fit, the information, additional to that of the merchants already folicited, on which the determination of His Majefty's Minifters refts, as to the extenfion of the trade to the out-ports, and their intentions upon the other parts of the arrangement to which we have now adverted.

The requefts we now make appear to us the more reafonable, from the weighty intimation conveyed in the concluding part of your Lordfhip's letter. It brings into view, (to repeat an expreffion ufed in our letter of the 15th April,) "*queftions of the laft importance to the fafety of the Britifh Empire in India, and* "*of the Britifh Conftitution at home.*" This is a folemn fubject for the Country, as well as the Company, if indeed it fhould ever come under actual difcuffion. We have that confidence in the equity and wifdom of the nation, that, notwithftanding all prefent clamours, they will wifh to do the Company juftice, and to guard all the other great interefts which muft come into queftion; but prepared as we fhall be, if forced into this fituation, to maintain the rights and claims of our conftituents, we muft yet exprefs our hope, that the Company will not be reduced to the hard alternative of thus having to contend for all that is dear to them, or to accept a Charter on terms which will not enable them to execute the part hitherto affigned to them in the Indian fyftem.

We have the honour to be,
My Lord,
Your Lordfhip's moft obedient
humble Servants,
(Signed) *Hugh Inglis,*
Robert Thornton.

The Right honourable
the Earl of Buckinghamfhire,
&c. &c. &c.

AT a Secret Court of Directors, held on Tuefday the 5th January 1813.

THE Chairman laid before the Court, a letter from the Right honourable the Prefident of the Board of Commiffioners for the Affairs of India, dated the 4th inftant, which was read.

Gentlemen, India Board, 4th January 1813.

I HAD the honour to receive your letter of the 30th ultimo, and proceed to convey to you the fentiments of His Majefty's Government, as far as it would feem advifable under prefent circumftances, to continue the difcuffion.

With respect to your observation, that the representations which induced His Majesty's Government to form their opinions upon the subject of the extension of the import trade, have been withheld from the Court of Directors, and that your objections to that extension have not been "adequately answered," you must allow me to avail myself of this occasion to apprize you, that although His Majesty's Government have shown a strong disposition to enter into the most frank and unreserved explanations with the Court of Directors, they have not felt that it was within the range of their duty to engage in a controversy upon the points at issue; that duty has been sufficiently discharged, in stating, for the information of the Court of Proprietors, the conditions upon which they were prepared to submit a proposition to Parliament for the renewal of the Charter, accompanied by such reasons as are conveyed in the communications they have authorized me to make.

I can, however, have no difficulty in acquainting you, that the claims of the merchants connected with the out-ports have not been brought before Government by written documents; that they have been urged and discussed at personal conferences with individuals interested in their success; and that you have already been informed of the grounds upon which they were supported; but that it does not appear to His Majesty's Government that you can be warranted in expecting that they should give a more particular account of the arguments adduced at those conferences.

I may add, however, that as the merchants and manufacturers connected with the out-ports, considering themselves entitled at the expiration of the Charter of the East India Company to carry on that trade from which they had been excluded for a limited time, had entered into a statement of their case by petitions presented to Parliament in the course of the last session, you may obtain from those records that further information which you appear desirous to possess.

With regard to those points to which you have alluded, as requiring particular regulation, the Ministers of His Royal Highness the Prince Regent having signified to you, that consistently with their sense of public duty they can submit no arrangement to Parliament that does not include an extension of the import trade; and the Court of Directors having, with a knowledge of their opinions upon that point, by their Resolution of the 18th ultimo, declined to recommend to the Court of Proprietors to agree to such an extension, it would seem premature to enter into details until that question shall have been finally determined.

You are apprized of the disposition of His Majesty's Government to adhere to the present system of administration in India; and I am not aware that if circumstances should admit of its continuance, it would be necessary to propose any material alteration in the existing provisions for carrying it into execution, except such as may arise from the opening of the trade.

The confidence you express in the wisdom and justice of Parliament will, I am persuaded, not be disappointed; nor is it to be supposed, that in the consideration of this great question (to use your own words) "the safety of the British "Empire in India, and the British Constitution at home" will be overlooked either by the Legislature or the Ministers of the Crown.

If the government of India cannot be carried on with safety to the Constitution except through the intervention of the Company, the propositions of the Court of Directors, whatever they may be, must unconditionally be admitted.

It will be for Parliament to determine whether the nation is in this respect without an alternative, or whether, if a change of system should be rendered necessary by the decisions of the East India Company, measures might not be taken for opening the trade, and at the same time providing such an administration of the government of India as might be found compatible with the interests and security of the British Constitution. I have the honour to be,

Gentlemen,

Your obedient and faithful humble Servant,

(Signed) *Buckinghamshire*.

The Chairman and Deputy Chairman
of the East India Company.

AT

AT a General Court of the United Company of Merchants of England trading to the Eaſt Indies, held on Tueſday the 5th of January, 1813.

THE Chairman acquainted the Court that it is eſpecially ſummoned for the purpoſe of there being laid before them further papers reſpecting the negotiation for a renewal of the Company's excluſive privileges.

The ſaid papers were then read, being as follows; viz.

Minutes of a Secret Committee of Correſpondence, the 27th November 1812: No. 60.

Letter from the Chairman and Deputy Chairman to the Right honourable the Earl of Buckinghamſhire, dated the 28th November 1812: No. 61.

Letter from the Right honourable the Earl of Buckinghamſhire to the Chairman, dated the 28th November 1812: No. 62.

Minute of a Secret Court of Directors held on Wedneſday the 2d December 1812: No. 63.

Minutes of a Secret Court of Directors, held on Tueſday the 15th December 1812: No. 64.

Minutes of a Secret Court of Directors, held on Wedneſday the 16th December 1812: No. 65.

Minute of Secret Court of Directors, held on Friday the 18th December 1812: No. 66.

Minutes of a Secret Court of Directors, held on Tueſday the 22d December 1812: No. 67.

Minutes of a Secret Committee of Correſpondence the 28th December 1812: No. 68.

Minutes of a Secret Court of Directors, held on Monday the 28th December 1812: No. 69.

Letter from the Right honourable the Earl of Buckinghamſhire, to the Chairman and Deputy Chairman, dated the 24th December 1812, noticed in the preceding Minutes: No. 70.

Minute of a Secret Committee of Correſpondence the 30th December 1812: No. 71.

Minute of a Secret Court of Directors, held on Wedneſday the 30th December 1812: No. 72.

Letter from the Chairman and Deputy Chairman to the Right honourable the Earl of Buckinghamſhire, dated the 30th December 1812, noticed in the preceding Minute: No. 73.

Letter from the Right honourable the Earl of Buckinghamſhire to the Chairman and Deputy Chairman, dated the 4th January 1813.

The Chairman acquainted the Court, that the above papers are printing, and will be ready to be delivered to the Proprietors to-morrow.

The Court then proceeded to take the ſame into conſideration, when the reſolutions of the General Court of the 5th May laſt were called for and read.

Reſolved unanimouſly, That this Court has learnt with deep concern and ſurpriſe, that His Majeſty's Miniſters have been induced to change the view they firſt entertained of the propriety of confining to the Port of London the returns of the Trade to India, now to be permitted to all Britiſh ſubjects. That the meaſure of opening the out-ports to veſſels of all deſcriptions from India, comprehending in that term the Eaſtern Iſlands, appears to this Court to be fraught with conſequences ruinous to the Company, and all the long train of intereſts connected with it, by removing from the Port of London the greater part of the Indian Trade which it has hitherto enjoyed, by rendering uſeleſs many of the expenſive eſtabliſhments formed there for the merchandiſe and ſhipping of that trade, and throwing out of bread many thouſands of perſons who now derive conſtant employment from it; by deranging the practice, and fruſtrating the end of ſtated public ſales, which are uſeful and important, both to the Country and the Company, who are neceſſarily reſtricted to the practice; but above all by affording

affording facilities for the ſmuggling of teas into the Ports and Harbours of England, Scotland, and Ireland, to an extent unlimited, and, as this Court apprehend, uncontrollable. That the conſequences of this muſt be the deſtruction of the Company's China Trade, their beſt ſource of commercial profit; the failure of their dividend; the depreciation of their ſtock; and, unleſs a fund is provided from ſome other ſource for the payment of the dividend, inability on their part to continue to perform the functions aſſigned to them in the government of Britiſh India. That if the conſtitution by which the Indian Empire is now adminiſtered ſhould thus be ſubverted, the excellent ſyſtem of civil and military ſervice formed under the Company, and maintainable only by ſuch a body, will be broken down; the tranquillity and happineſs of the vaſt population which that Empire contains, the intereſts of this Country in Aſia, and its Conſtitution at home, will be imminently endangered.

That the propoſed object for which the profeſſed changes are to be made, and ſuch immenſe ſacrifices hazarded; namely, the increaſe of the commerce of this Kingdom, cannot be in any degree attained, there being no practicability of extending materially the uſe of our manufactures among the Indian People; the tonnage allotted by the Company, or afforded by Indian Ships in the management of individuals, for ſuch exports, not having been fully occupied; neither does it appear practicable largely to augment the importation of profitable commodities from thence; of all which the example of the American Trade to the Eaſt is a proof. Britiſh manufactures, which they could eaſily have procured, making no part of it, nor their returns exhibiting any new articles of importance. That therefore the trade now enjoyed by the Company and individuals will be the only certain trade to which new adventurers can have recourſe. And this will be no addition to the commerce of the country, but only a transfer from one ſet of hands to another; ſo that old eſtabliſhments will be ſubverted, without ſubſtituting any thing equally good in their place; and to all appearance, with great detriment to the nation, particularly in the defalcation of a large part of the duties now collected on tea, to the amount of Four millions ſterling per annum; for all which defalcation, whether one, or two, or three millions, new taxes muſt be laid on the people.

That the cauſe of the Company has been deeply injured by prejudice, ignorance, erroneous aſſumptions, and of late by extenſive combinations, and by unfair repreſentation, canvaſs and intimidation; in all which the merits and rights of the Company, the political intereſt of Britiſh India, and of this country as connected with them, have been left out of ſight, and the ſingle objects of the extenſion of commerce, an object too only of ſpeculation, in oppoſition to paſt experience, is the governing principle.

This Court, however, confidently hope that Parliament will not decide the fate of the Company on the repreſentations and demands of private intereſt, but on juſt and comprehenſive views of national policy; and the Court muſt alſo believe that His Majeſty's Miniſters are too enlightened and equitable finally to adopt any meaſure calculated to deſtroy the commercial profits of the Company, and thereby to diſable them from performing their political functions. This Court, therefore, entirely approving both of the firmneſs which their Directors have ſhown in maintaining the intereſts of the Company, and of the manner in which they have, in the papers now produced by them, defended thoſe intereſts, doth recommend it to them to perſevere in the negotiation with His Majeſty's Miniſters upon the ſame principles, aſſured of the determination of this Court to ſupport them to the utmoſt in maintaining the permanence of the Company, and the national intereſts which are involved in their ſtability.

Reſolved unanimouſly, That the thanks of this Court be given to Randle Jackſon, eſq. for his very luminous and excellent ſpeech this day, for the great zeal, ability and induſtry, he has on various occaſions, and particularly on this, diſplayed for the honour and advantage of this Company.

Reſolved

Refolved unanimoufly, That the warmeft thanks of this General Court be offered to the Chairmain, Deputy Chairman, and Court of Directors of this Company, for their very able conduct in the negotiation with Government for the renewal of the charter, alike evincing the moft luminous ideas of the beft intereft of this Company, and their moft honourable conduct in the management of fo important a concern.

It was then moved, and on the queftion,

Refolved, That this Court do highly approve the vigilance, attention, and able conduct of the Court of Directors, in their negotiation with His Majefty's Minifters for the renewal of the Charter; and that for the purpofe of taking the important fubject now fubmitted to them into their moft ferious deliberation, the Court do adjourn unto Tuefday the 19th inftant.

And the Court adjourned accordingly.

AT a General Court of the United Company of Merchants of England trading to the Eaft Indies, held on Tuefday the 19th January 1813.

MINUTES of laft Court of the 5th Inftant, were read.

The Chairman acquainted the Court, that it is met by adjournment for the purpofe of taking into further confideration the papers laid before them at their laft meeting.

The following motion was then made, and feconded, viz.

" That this Court perceives with deep regret, that after a long correfpondence " and difcuffion, conducted with exemplary firmnefs, temper, and ability, on the " part of the Court of Directors, and with much difference of opinion among " the feveral Minifters who have reprefented His Majefty's Government in the " difcuffion, and clofed on the part of His Majefty's prefent Minifters, with " a reference to the petitions lately prefented to Parliament as a ground of their " new determination, the parties have at length arrived at a point when decifion " is abfolutely required between the ruin of the Company and the difappoint- " ment of the Petitioners againft the Charter."

And after a debate of confiderable length, the queftion of adjournment of the faid debate was moved and feconded;

But it having been fignified by a Proprietor that an amendment to the firft motion was prepared, and intended to be made,

The queftion of adjournment was by confent of the Court withdrawn.

It was then moved, and feconded, purfuant to the intimation already given, to amend the firft motion, by leaving out all the words after the word " that," in order to fubftitute the following words, viz.

" That this Court deeming it prudent and proper to acquiefce in the prin- " ciples and preliminaries ftated by His Majefty's Minifters, through the Prefi- " dent of the Board of Controul, in the papers laid before the Court refpecting " the renewal of the Company's Charter, with certain provifions in favour of the " merchants and manufacturers of Great Britain, and the Out-ports of thefe " realms."

Refolved, " That it be referred back to the Court of Directors to continue " their negociation for the carrying thefe principles into effect, this Court rely- " ing on due attention being paid to fecure to the Company as great advantages " in their commerce as are confiftent with their claims upon the public, and the " profperity and interefts of the country at large; and for that purpofe, by pro-

" per regulations, to guard against the mischiefs that might arise from disputes in " India or in England between those engaged in the commerce, to protect the " trade from smuggling, and those consequences which are now dreaded by a de- " parture from the present established system; and particularly to prevent the " residence or interference of Europeans in any part of India, so as to endanger " the Company's governments there in their exclusive administration of the ter- " ritorial possessions which they now have or may hereafter obtain, as well in " their revenue as in their judicial and military departments. That the Direc- " tors be instructed to endeavour to obtain from His Majesty's Ministers a " guarantee to the proprietors of India stock, for their capital stock and divi- " dends, in case the trade and territories should at any future period be taken " under the immediate management of His Majesty's Government, or not afford " the necessary supply for the discharge of the same: That, as the Company " consider themselves guardians of the prosperity of the Empire in India, and " protectors of the liberty and happiness of the millions of people who live under " their government, they repose confidence in the abilities of their Directors, and " the wisdom of the Legislature, that every possible safeguard will be provided to " prevent danger to the Empire and injury to its people."

And a debate having arisen on the proposed amendment,
It was moved, and, on the question,
Resolved, That the further debate on the said questions be adjourned till Friday next the 22d instant.

And it was then moved, and, on the question,
Resolved, That this Court do now adjourn till Friday next the 22d instant.

And the Court adjourned accordingly.

AT a General Court of the United Company of Merchants of England trading to the East Indies, held on Friday the 22d January 1813.

MINUTES of last Court of the 19th were read.

The Chairman acquainted the Court, that it met by adjournment, for the purpose of taking into further consideration the Papers which were laid before them on the 5th instant.

The Court then proceeded to take into consideration the motion made at the last General Court, and the amendment proposed thereto.

And, after a debate of very considerable length,
It was moved, and, on the question,
Resolved, That the further debate on the said motions be adjourned till Tuesday next the 26th instant, and that a General Court be summoned to meet on that day, at eleven o'clock in the forenoon precisely.

And then the Court, on the question, adjourned till Tuesday next accordingly.

AT a General Court of the United Company of Merchants of England trading to the East Indies, held on Tuesday the 26th January 1813.

MINUTES of last Court of the 22d instant were read.

The Chairman acquainted the Court, that it met by adjournment, for the purpose of taking into further consideration the papers which were laid before them on the 5th instant.

The

The motion made on the 19th inſtant, and the amendment propoſed to be made thereto, were read.

It was then, after a debate of conſiderable length, moved, that the words in the original motion, propoſed to be omitted, ſtand part of the queſtion.

And, the queſtion thereon being put,

The ſame was carried in the affirmative.

The main queſtion being then put,—It was

Reſolved, That this Court perceives with deep regret, that, after a long correſpondence and diſcuſſion, conducted with exemplary firmneſs, temper, and ability on the part of the Court of Directors, and with much difference of opinion among the ſeveral Miniſters who have repreſented His Majeſty's Government in the diſcuſſion, and cloſed on the part of His Majeſty's preſent Miniſters with a reference to the Petition lately preſented to Parliament as a ground of their new determination, the parties have at length arrived at a point when deciſion is abſolutely required between the ruin of the Company and the diſappointment of the petitioners againſt their Charter.

Reſolved, That on former diſcuſſions relative to the renewal of the Company's Charter, and particularly in 1793, His Majeſty's Government were prepared at the outſet, to ſtate the preciſe extent of conceſſion which could ſafely be allowed to the petitioners againſt the Company's Charter; and their mature conviction appeared then to be, that the regulated monopoly of the Company was eſſential to the intereſts of the Country, and that this conſideration alone was a ſufficient anſwer to all pretences for interference with that monopoly.

That the territorial poſſeſſions of the Company in India are their certain right; and that the ſyſtem provided for the Indian government by the wiſdom of Parliament, together with the diſintereſted ſpirit in which it has been adminiſtered by the Company, have extended and conſolidated the Britiſh Empire in the Eaſt, and added to the ſtrength and glory of the Britiſh Empire at home.

That the trade of the Company has long ceaſed to bear the character of a ſtrict monopoly; and that, by ſome further modifications, if thought indiſpenſable, in addition to the arrangements of 1793 and of 1802, it may be rendered as much an open trade, as will be conſiſtent with the ſecurity of revenue, and the proſperity and ſafety of the Indian Empire.

That it is the opinion of the ableſt Indian ſtateſmen, as well as the generality of perſons acquainted with India, that no large or ſudden addition can be made to the amount of Britiſh exports to that Country or China; that this opinion is confirmed by the practice of the Americans, who export chiefly bullion, and by the overloaded ſtate of the Indian markets; that the habits and religion of the natives are hoſtile to any ſuch extenſion; and that the Company actually ſuffer a loſs in this department of their concerns, with the view of employing the capital, and encouraging the induſtry of their countrymen at home.

That ſo far as relates to the ordinary produce of India, the import trade is now carried to the full extent of the demand, as appears by the value of three millions and a half ſterling of private property at this moment remaining in the Company's warehouſes; and that to open the out-ports to that trade, would be no other than a ruinous transfer of it into new channels, to the deſtruction of immenſe and coſtly eſtabliſhments, and the beggary of many thouſands of induſtrious individuals.

That an extenſion of the trade in other products, the *ſuppoſed* effect of opening the out-ports, could be realized only by a large transfer of capital to India, and its conſequent colonization; that if realized, it might fatally interfere with the manufactures of England, or with her commerce to countries where ſimilar products are already raiſed by Britiſh capital, imported in Britiſh ſhipping, and paid for by Britiſh manufacturers, and that thus, ſuch extenſion would deeply injure thoſe very perſons who are moſt impatiently petitioning for it.

That

That any unreftrained intercourfe of Europeans with our Indian Empire, is highly to be deprecated; that the unlimited competition of commercial agents would, from the peculiar circumftances of the country, produce "a boundlefs "fcene of confufion and fraud, and ultimately the ruin of the manufacturers "themfelves;" and that tempting opportunities would be held out to the agents to maintain illicit intercourfe with the Native Powers, and to conduct a dangerous fyftem of communication with China from the Eaftern Iflands.

That this Court do moft highly approve the conduct of the Directors upon the vital queftion of admitting the out-ports to the import trade from India; and that the confufion and hazard from irregular fales at the out-ports, the lofs to the revenue from fmuggling, and the confequent ruin of the Company's China Trade, are decifive obftacles to the policy of fuch a meafure; they are therefore firmly of opinion that the Court of Directors fhould, on no confideration whatever, cede this point in the difcuffion.

That it alfo appears, from numerous Petitions prefented to the laft Parliament, that on the faith of approved and long eftablifhed practice, an immenfe capital has been invefted in eftablifhments peculiarly adapted to the export trade between India and China; and that many heavy engagements have been entered into by perfons in the City of London and on both banks of the Thames, from London Bridge to Gravefend, the very fubfiftence of many of whom depends upon the continuance to the port of London of the export trade to India and China; and that nearly 10,000 induftrious artificers, together with their families, would be in danger of beggary in proportion as they would be thrown out of employment by the removal of the export trade from its accuftomed channel. This Court therefore conceives, that it is of vital importance to the city and port of London, that the export trade to India and China fhould continue to be carried on as heretofore.

That fince the high duties on articles imported would ftill remain, the abatement in the price of freight expected by the petitioners to enfue from the fubverfion of the prefent fyftem, would be productive of trifling relief to the confumer; and that this relief would be purchafed at the extreme hazard of the revenue of cuftoms and excife now collected eafily by the Company, as well as imminent danger to all the fources of their wealth in India.

That there is no foundation, in fact, for the ftatement which afcribes to the Company's Charter the advantages enjoyed by neutral foreigners over Britifh merchants, in the admiffion of the former to a trade from which the latter are excluded; for that the profit with which that trade has been carried on by thofe foreigners, has been entirely owing to the facilities neceffarily belonging to their neutral character, and which of courfe cannot belong to the merchants of a belligerent ftate.

That the difcharge of the political functions of the Company depends on the continuance of its commercial privileges. That the propofitions of His Majefty's Government, by giving a fatal blow to the commercial interefts of the Company, will, if infifted on, eventually terminate in its political diffolution; and that political advantages, of the higheft importance, will thus be loft to the country, among which the following deferve to be diftinctly noticed, as much too valuable to be facrificed for a trifling reduction in the freight of Indian goods to Europe.

1.—A marine of 100 large fhips, containing a tonnage of 103,333 tons, employing 1,400 officers and 10,000 feamen, of acknowledged fkill and bravery, and which has been found ready and able at all times to minifter to the national convenience, and to augment the national glory.

2.—An extenfive eftablifhment of yards, which has often rendered large and feafonable affiftance to the Royal Navy, and might in cafes of neceffity be made available to the national defence.

3.—The remittance of the fortunes accumulated by above 3,000 officers of the Company's military fervice, and fome hundreds of civil fervants, which are transferred to the capital, and ftimulate the induftry of Britain.

That

That in addition to these considerations, the liberal disbursements of the Company for national enterprizes, and the meritorious contributions of their service to the national fund of strength and glory, are entitled to a just and honourable remembrance in the preparation of any measure which may vitally affect their interests.

That connected with this department on the subject, is the extreme danger to which, in case of the Company's dissolution, the balance of the constitution would be exposed by the transfer of the Indian patronage to the Crown, and the enormous burden which would be entailed on the public, in satisfying the claims of compensation on behalf of the Company, and of all the complicated interests which would be involved in its fate.

That by the destruction of the Company, a vast number of those proprietors, amongst whom its capital of twelve millions sterling is divided, would be reduced to extreme distress; and nearly 40,000 persons, directly employed by the Company, with many others indirectly concerned in its prosperity, would be brought to a state of absolute beggary.

That from the tenor of the preceding considerations, it appears to this Court, that no case of political or commercial delinquency has been established against the Company, to justify the ruin with which they are threatened, or to forfeit their claim to a continuance of their Charter; that, on the contrary, their commercial management has been frequently deranged and interrupted by costly enterprizes, to which they were compelled, on grounds of imperial policy, and which no temporary possession could have induced them to execute; that their remonstrances against these undertakings were silenced by reference to future and distant recompence, in the improved prospect of permanent peace, revenue, and commerce, and that, by arguments which implied little less than a pledge that their privileges should be continued, at least until their indemnity should be complete; and that it is manifestly unjust to allege against them, as a proof of commercial mismanagement, pecuniary difficulties arising out of this forcible diversion of their commercial funds to national purposes.

That, with a view to their financial difficulties, thus incurred on the public account, the Directors, in the year 1803, apprehending the consequences of the transfer of the Indian territorial debt to England, proposed methods to meet and provide for those consequences; but that His Majesty's Ministers refused to forward those propositions to India, and have not substituted any other proceeding for the same end.

That the Court appeal confidently to the following particulars from the close of the Fourth Report of the Committee of the House of Commons appointed in the late Parliament, for a proof, not only that the Company have carried on their affairs without any expence to the finances of this country, but that the operations of their system have been in manifold ways beneficial to its interests.

1st.—That since 1791 British industry has been encouraged by the employment of £46,000,000.

2d.—That the produce and manufactures of India, purchased with this sum, together with those in China sold in England, realized in sale, amount nearly to £140,000,000.

3d.—That the purchase of the produce and manufactures of England amounted to £29,200,000.

4th.—That the employment of British shipping, amounted to £25,000,000.

5th.—That the duties on imports collected through the Company, at a trifling expense to Government, amounted to £39,300,000. and on exports to £660,000. together £39,960,000.

6th.—That the combination of these and other sums, producing £185,960,000. shows that on an average of the last seventeen years £10,900,000. has been diffused in various channels through the whole circulation of the British empire, &c.

That for proof of the moral and political benefits derived to the population of India from the government of the Company, this Court appeals to the Fifth Report of the Committee of the Houfe of Commons, which exhibits the gratifying picture of a people raifed from the loweft diforder and degradation, to a ftate of induftry, fecurity, and freedom; and that this Court confidently hopes the improvement in the condition of fifty millions of natives will not be interrupted by the pernicious experiments to which the fanction of Parliament is now fo loudly folicited.

That the interefts of the Company are now become fo interwoven with the political and commercial fyftem of Britain, that by their fudden diffolution the credit and grandeur of this country would receive a fhock which *muft* be perilous, and *might* be fatal; and that the meafures propofed by Government are therefore anxioufly to be deprecated, inafmuch as they muft have the effect of bringing the Company to fpeedy deftruction.

That with fuch a cafe in favour of the Company, the Court is affured they may approach Parliament with confidence, and without the fmalleft alarm from the mifreprefentations with which they have been affailed; and they are perfuaded that the wifdom of that enlightened body will never countenance the facrifice of the clear and pofitive intereft of one clafs of men, to the contingent and uncertain advantage of another; nor demolifh a mighty practical fyftem, which has been raifed by fuch immenfe exertions, in order to place its materials at the difpofal of interefted fpeculation.

That this Court approves moft highly the firm exertions by which the Directors have now enabled the Company, if neceffary, to bring their cafe in its integrity before the tribunal of Parliament: they tender their warmeft thanks to the Chairman, the Deputy Chairman, and the Court of Directors, for their zeal and ability in fupport of this important caufe; and they truft that if any opening fhould prefent itfelf for a renewal of the difcuffion between the Company and His Majefty's Government, upon the principles detailed in this Refolution, it will be conducted by them with the energy and moderation which they have hitherto difplayed.

And the Court, on the queftion, adjourned.

AT a Secret Committee of Correfpondence, the 27th January 1813.

THE Committee, adverting to the following paffage in Lord Buckinghamfhire's Letter of the 4th inftant; viz.

" I may add, however, that as the Merchants and Manufacturers connected
" with the Out-ports, confidering themfelves entitled, at the expiration of the
" Charter of the Eaft India Company, to carry on that trade from which they
" had been excluded for a limited time, had entered into a ftatement of their
" cafe, by Petitions prefented to Parliament in the courfe of the laft Seffion, you
" may obtain from thofe records that further information which you appear
" defirous to poffefs:—

And the Committee deeming it proper, in confequence, to enter into the confideration of the Petitions above referred to;

Ordered, That the faid Petitions be laid before the Committee.

AT

AT a Court of Directors, held on Wednefday the 10th February 1813.

A REPORT from the Committee of Correfpondence, dated the 9th inftant, being read, detailing at confiderable length their obfervations and opinions on the arguments urged in the Petitions from the Outports,—that the Eaft India Trade may be thrown open;—and the Committee alfo fubmitting draft of a Letter to the Earl of Buckinghamfhire, tranfmitting a copy of the faid Report for his Lordfhip's information:

Refolved unanimoufly, That this Court approve the faid Report and Draft of the Letter therewith fubmitted; and that the faid Letter and Report be tranfmitted to the Earl of Buckinghamfhire, for his Lordfhip's information; accordingly, draft of a Petition to the honourable Houfe of Commons, praying a renewal of the Company's exclufive privileges of trade, was read, and unanimoufly approved: whereupon,

The draft of an Advertifement, giving notice that a General Court will be held at this Houfe on Wednefday next, the 17th inftant, for the purpofe of taking into confideration the faid Petition, was read and approved.

REPORT of the Committee of Correfpondence, dated the 9th February 1813; noticed in the preceding Minute.

THE Prefident of the India Board having, in his recent Letter of the 4th January, referred the Court to the petitions prefented to Parliament, in the courfe of laft Seffion, from the Merchants and Manufacturers connected with the Outports, for fuller information than had been then imparted to the Court, concerning the reprefentations which had induced His Majefty's Minifters to be of opinion that the Import Trade from the Eaft Indies fhould not be confined to the Port of London, Your Committee determined on examining thofe Petitions as they ftand recorded in the Votes of the Houfe of Commons. But in going into this tafk, your Committee found that it involved a review of all the Petitions lately preferred againft a renewal of the Company's Charter, becaufe the arguments in favour of the Outports were interfperfed through them. The whole of thofe Petitions have therefore been perufed; and one remark which immediately prefents itfelf on that perufal, a remark entitled, in the opinion of your Committee, to particular attention—is, that thofe arguments in behalf of the Outports are, in a very material degree, the arguments which are directly urged for the abolition of the whole of the Company's exclufive commercial privileges; and the claims of the Outports are contended for, as a part of the entire freedom in the Eaftern trade, which is demanded for all the fubjects of the empire. The places efpecially which are ftrictly Outports, proceed, in their Petitions, upon principles which arraign every fpecies and degree of monopoly; and it is chiefly from thofe principles that they deduce as a confequence, the right of the Outports to a free participation in Indian imports. But as, in the deliberate and juft opinion of His Majefty's Minifters, thofe principles and arguments are not valid for the main claim of the Petitioners, it is to be prefumed, that neither can they in the fame opinion be valid for the fubordinate claim of the Outports, fo far as it is refted on the fame foundations; which, however, are the foundations built on by the generality of the Petitions. The few remaining arguments on this queftion, relate principally to the facility and certainty with which the revenue may be collected at the Outports; and to the fafety with which the honourable men compofing the commercial clafs of this Country, may be admitted to all the fettlements and countries of the Eaft. But thefe are mere affertions of opinion, to be claffed with the "untried theories" of the time, and, as far as the light of experience goes, oppofed by it. If they were even proved, which they are in no degree, they would not by any means fatisfy all the great interefts abroad and at home, which are involved in the queftion of the Outports;

Outports; and therefore your Committee are entirely at a loſs to diſcover how the arguments in favour of thoſe ports, as they ſtand in the Petitions to Parliament, reſting chiefly on principles which His Majeſty's Government do not admit, have ſo preſented themſelves to the Miniſters, as in their view "to eſtabliſh a claim "againſt an abſolute reſtriction of the Import Trade to the port of London;" or how, from the *ex parte* repreſentations of thoſe Petitions, which proceed on the demand of an entire liberty of trade to India and China, a demand reſiſted by His Majeſty's Government, any clear definitive idea is to be obtained of that degree of "liberty of trade, which the merchants may enjoy without injury to "other important national intereſts." And hence your Committee humbly conceive, that this problem, ſo important in its nature, namely, the meaſure of further liberty which may be ſafely granted, ſtill remains to be ſolved, and requires deliberate and accurate inveſtigation.

Theſe remarks may perhaps receive ſome confirmation from the ſuccinct view which your Committee, enlarging ſomewhat their firſt deſign, are now about to ſubmit, of the principal matters contained in the Petitions for the abolition of the Company's commercial privileges, and of the anſwers to which they are obviouſly liable: Although the ſame allegations which are thus urged have often been combated, it may be proper, on account of the channel in which they now come forward, and of the publicity of the preſent diſcuſſion, to give ſome diſtinct reply to them, which will at leaſt further evince the diſpoſition of the Court to ſhrink from no charge, and to ſhun no inquiry.

All the material objections which appear in thoſe Petitions to the renewal of the Company's Charter, may be compriſed under the following heads:

1ſt. That Commercial Monopolies, eſpecially if extenſive and long continued, are in their nature and according to the experience of paſt ages, inexpedient, impolitic, and unjuſt; and that the monopoly of a joint ſtock Company muſt be managed with negligence, waſte and prodigality, unlikely to be practiſed by private Merchants; (ſome of the Petitions admit that monopolies may be tolerated in the beginnings of trade.)

2d. That the monopoly of the Eaſt India Company has been injurious to the nation, great evils having reſulted from it: that it is inadequate to an extended trade; has locked up national capital; has retarded improvement; has not advanced trade, nor carried it to many countries within the Company's limits; that it cools the ardour of generous and liberal competition; has deprived the Woollen manufacturers of Glouceſter, Wiltſhire, Exeter, Shrewſbury, and the manufacturers of other places; ſome, of ſupplying an immenſe population; others, of preparing articles for China, on lower terms than the Company allow; others, of carrying on trade with India and the countries north of it; others, of receiving orders, infinitely beyond what they now obtain from the Eaſt India Company: that it is (particularly in the opinion of the Staffordſhire potters) unfavourable to the introduction of new articles: that its exports to the Eaſt do not amount to a fifth of the exports of this country to America: that all ideas of participation in the profits of a monopoly trade, by payment into the Exchequer, ever will be vain and illuſory; of which the diſappointment of the nation, in regard to the Company, is a complete illuſtration: that the intention of opening the trade will be fruſtrated, by leaving the Company any controul over Private Trade: that it is proved, by undeniable documents, that if the trade be allowed to remain under its preſent reſtrictions, it will languiſh, decay, and paſs into the hands of other ſtates; that it muſt, if continued, diminiſh the ſources of private wealth and national revenue: that the reaſonings in favour of the monopoly proceed from narrow partial views, have been demonſtrated fallacious, and will apply equally to every other branch of Britiſh Commerce: that it is humiliating to individuals, degrading to the national character, and a national grievance.

3d. That notwithſtanding the *increaſe* of the Company's territories, their trade has *decreaſed*, though protected from enemies and hoſtile rivalry; that ſince the renewal of the Charter in 1793, they have added greatly to their debt; that the

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pecuniary participation held out to the country in 1793 has not been realized, but has been converted by the Eaſt India Company into repeated claims on the public purſe and credit for enormous ſums to ſupport their eſtabliſhments; and that further and ſtill greater pecuniary aſſiſtance is now required, to avert embarraſſments in which they may be ſoon involved.

4th. That a full and free right to trade to and with all countries and people in amity with His Majeſty, and more particularly thoſe countries *acquired and maintained by the efforts and valour of the forces of His Majeſty*, is naturally the undoubted birth-right and inheritance of the people of this empire, of every ſubject of it, and every port in it, and that the unreſtrained exerciſe of that right is eſſentially neceſſary to the maintenance of the manufacturers, and proſperity of the commerce of this country; that the confinement of the Eaſtern trade to the port of London would be a violation of that right, at once unneceſſary, unjuſt, and impolitic—unneceſſary, becauſe the duties may be collected with greater eaſe and leſs loſs by pilferage in the Outports, the taxes on Weſt Indian and American produce being now collected with known ſafety—unjuſt, becauſe every mercantile place in the United Kingdom is entitled to the ſame privileges—and impolitic, becauſe the ſuperior economy and diſpatch that prevail in the Outports, are requiſite to ſecure an equality with foreign nations. In theſe claims for the Outports, there is a general concurrence in the Petitions from Plymouth, Glaſgow, Paiſley, Dundee, Arbroath, Leith, Edinburgh, Belfaſt, Briſtol, Liverpool, and Hull; of which three laſt-mentioned places, Briſtol and Liverpool ſtate, that they have, in contemplation of the opening of the trade to India, enlarged their docks; and Hull, that there ſhould be no reſtraint as to the ſize of veſſels to be admitted into the Indian trade.

5th. That no ſatisfactory reaſon can be aſſigned, why the trade to China ſhould not be opened; that the difficulty apprehended in collecting the Tea duties is ideal; that the Britiſh character forbids injurious ſuſpicions as to inconveniences in India and China from opening the trade:—that, in the avowed opinion of one ſet of Petitioners, the merchants of this country ſhould be allowed to trade directly from the Eaſt to the Britiſh Weſt Indies; and another ſet claim, that the products of the Eaſt ſhall, without being firſt landed in this kingdom, be tranſported to the Britiſh Weſt Indies, the American Colonies, and all other Countries ſouth of Cape Finiſterre, and within the Mediterranean.

6th. That the exiſting monopoly has, contrary to reaſon and juſtice, led to a ſingular peculiarity, the conceſſion of privileges to foreign nations in amity with His Majeſty, which are rigorouſly denied to merchants of the Britiſh Empire; or according to others, that the trade is open to *all the world* except Britiſh merchants: that the American States have long enjoyed this trade at the expence of our own people, employing Britiſh capital and compelling the Company to ſhrink from competition; that they have engroſſed a great part of this trade and alſo of that to China, which the Company formerly poſſeſſed; that the American merchants being unfettered, have underſold the Company in the markets of Europe, have deprived them of thoſe markets, and alſo the markets of South America, the Weſt Indies, the Mediterranean and Malta, whilſt the Engliſh trade has become leſs extenſive and profitable; that the example of the citizens of the United States, who have evinced the ſuperiority of individual induſtry, when oppoſed to the negligence and prodigality of a joint ſtock Company, and the delays and abuſes of their concerns, proves the competency of Britiſh individuals to carry on an extenſive commerce to the Eaſt Indies, China, and other countries within the Charter of the Company: that the monopoly is favourable to foreigners, injurious to Britiſh Subjects, and its abolition neceſſary, to enable Britiſh merchants to meet neutrals and other foreigners, in fair competition, with the products of the Eaſt, in their own markets: or at leaſt, according to others, that Britiſh ſubjects ſhould be put on a footing with foreigners in this trade.

7th. That the diſtreſſes and privations of the manufacting and trading claſſes (diſtreſſes aggravated, ſay ſome, by the monopoly of the Eaſt India Company) under the Continental ſyſtem of Buonaparte, the diſputes with America, the ex-

clufion from ufual markets, the ftagnation or decline of trade, are grievous; that the mercantile, manufacturing, and fhipping interefts all fuffer; that the country is burthened with great naval and military eftablifhments; and that under fuch hardfhips, preffures, and exclufions, every poffible relief is wanted, and new fources of trade ought to be looked for; and that on account of the exifting war, and for the maintenance of our naval fuperiority, and the prefervation of our commercial, maritime, and financial interefts, an open trade is neceffary.

8th. That it is a well-afcertained fact, that during the time of the Protectorate, there were men who boldly violated the Company's Charter, and carried on the trade with fuch fuccefs, that they were able to fell the commodities of the Eaft, in the different markets of Europe, on lower terms than had ever been known; and at this day individual merchants have traded to India with profit, even under all the difficulties, delays, and taxes impofed upon them by the Company; that the Private Trade has continued to increafe, although fettered with many reftrictions, but that thefe reftrictions deter people unacquainted with India, and refiding at home, from engaging in the trade; that a free Trade to the Eaft would be a meafure admirably calculated for removing prefent evils, would be a fubftitute for the lofs of European commerce, an equivalent for all other markets, and would neceffarily open new and extenfive markets, a field greater than any other country offers, and beyond the grafp of the enemy; a field to Britifh fkill, induftry, and enterprize, and to capital otherwife ufelefs, whilft the national refources are ftunted;—that thoufands who are now reduced to idlenefs and poverty, might be actively engaged; that the capital, fpirit and *knowledge* of Britifh merchants are unbounded;—that a free Trade to India would turn the wealth acquired by the foreign merchant, into the pockets of the fubjects of this Country; would excite a fair emulation to bring all the produce of the Eaft to its proper level in the home market, to the great benefit of this country; would enable our manufacturers with more advantage to exert their fkill and induftry to produce new articles of trade, and to give full employment to the operative claffes of the community; would circulate the trade, now confined to London, through every part of the United Kingdom; would be the means of increafing our maritime ftrength, our financial refources, and the wealth and glory of the Britifh empire. Such is the general tenor of the Petitions on this head; but the language of the one from Sheffield is fo animated and fanguine, that it may not be improper to tranfcribe a part of it:—"The Petitioners are fully perfuaded if the trade to the Eaft Indies were thrown "open to all His Majefty's fubjects, fuch new and abundant markets would be "difcovered and eftablifhed, as would enable them to fet at defiance every effort "to injure them, by that fworn enemy to the profperity and the peace of Europe, "the prefent unprincipled Ruler of France; and that the Petitioners doubt not, "if the trade of this United Kingdom were permitted to flow unimpeded over "thofe extenfive, luxuriant and opulent regions, though it might in the outfet, "like a torrent repreft and fwollen by obftruction, when its fluices were firft "opened, break forth with uncontrollable impetuofity, deluging, inftead of fup"plying the diftrict before it; yet that very violence which at the beginning might "be partially injurious, would in the iffue prove highly and permanently benefi"cial; no part being unvifited, the waters of commerce that fpread over the face "of the land, as they fubfided would wear themfelves channels through which "they might continue to flow ever afterwards, in regular and fertilizing ftreams; "and that to the wealthy, enterprizing, honourable, and indefatigable Britifh "merchant, conducting in perfon his own concerns, no obftacle would prove in"furmountable, no prejudice invincible, no difficulty difheartening; wants where "he found them he would fupply; where they did not exift he would create them, "by affording the means of gratification."

9th. That the imagined hardfhip of depriving the Company of the only lucrative branch of their trade, that to China, will be alleviated by the wealth, influence, knowledge, and experience, which in their united capacity they will ftill be enabled to oppofe to the unaffifted efforts of private merchants:—that if, indeed, the Company can carry on trade to greater advantage than the private merchant, they have nothing to fear, they will reap their merited reward by the benefit of competition;

competition; and without competition neither would commerce have risen to its present standard, nor will it increase to bear the increasing expences of the nation. And with respect to the danger of excessive speculation, it is said by Glasgow to be imaginary, because the enterprize of individuals is uniformly limited by their means and success; because any evil of this nature is temporary, and checks itself; and that *the very worst that can occur in the event of the abandonment of the trade by the Public, would be, that matters would again return to their present state.* On all the grounds, therefore, stated in the Petitions, they in general require a full and entire freedom of trade to the Eastward of the Cape of Good Hope, including China, and all the countries within the Charter of the East India Company; *and for the means of indemnifying or remunerating the claims of the Company,* one petition proposes, " *a fair and equal impost on the trade in question.*"

Your Committee having thus submitted an abstract, under different heads, of the contents of the petitions, in which abstract they are persuaded nothing material is omitted, will now proceed to offer some observations on each of those heads.

And *first*, With regard to the doctrine of monopolies in general, your Committee do not conceive that they are much called upon to enter into any discussion of it; because what is termed the monopoly of the East India Company is, as it now exists and has long existed, an institution of a singular nature, formed upon principles peculiar to itself, not merely or chiefly for the purposes of trade, and must be examined with reference to the ends of its institution, and the importance of those ends, which will be the subject of the next article. In the mean time, it may be observed upon this first head, that the ablest writers upon political economy, and the most strenuous against monopolies, have not condemned them simply and universally, as most of the Petitions now in question do. Even Dr. Adam Smith acquiesces in the establishment of the Chartered Banks of England and Scotland, which are a species of monopoly; and he praises the Act of Navigation, which is founded on the principle of exclusive privilege. He admits also the propriety of a temporary monopoly of new machines and new books; and what is more immediately to the present purpose, he grants, in agreement with Montesquieu and others, as some of the petitioners seem also candidly to allow, that " when a Company of Merchants (to use his own words) " undertake, at their own risk and expense, to establish a new trade with some " remote and barbarous nation, it may not be unreasonable to incorporate them " into a joint stock Company, and to grant them a monopoly, in case of their " success, for a certain number of years. It is the easiest and most natural way " in which a State can recompence them for hazarding a dangerous and expen" sive experiment, of which the Public is afterwards to reap the benefit." But, even in this proposition, it may be observed, that the interests of the two parties, the Company of Merchants and the Public, seem scarcely to be equally cared for. The privilege given by the State, is a privilege for its own benefit, which is to cost it nothing, should the experiment fail; and of which it is to enjoy the permanent advantage, if the experiment succeed. It is safe from loss; and, besides its share of what present advantage there may be, is to have ultimately the fee simple of all the gain that may result. Undoubtedly, in this case, the term of enjoyment by the merchants, after all the season of hazard and vicissitude is past, should be ample; and it were to be wished, that those who are now so eager to take gratuitous possession of all the commercial establishments formed at such immense risks and expense by the East India Company, would consider more equitably than the language of their petitions does, the fair claims of a body, even if regarded merely in a commercial light, who have hitherto been working, through a long series of time, of difficulties and dangers, to the vast benefit of the nation, whilst their own fair compensation yet remains to be obtained.

Secondly, With respect to that species of exclusive privilege, called the East India Company's monopoly, your Committee cannot begin their remarks upon the accusations brought against it, without lamenting the surprising want of information which the generality of the petitioners discover relative to the Company's system, conduct and affairs; and your Committee are compelled to add, a morti-

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fying defect of attention alfo regarding things that could not poffibly be unknown to the petitioners; they treat the whole queftion of the monopoly, as if it were purely a commercial queftion; as if it involved no high queftion of policy; as if it ftood unconnected with the acquifition, the government and the prefervation of a great Indian Empire; and as if, from its political relations, the queftion concerning it had no bearing on the Britifh conftitution. Thus, fay fome of the petitioners, "the reafonings in favour of the monopoly proceed from narrow "partial views, demonftrated to be fallacious, and which will apply equally to "every other branch of Britifh commerce;" whereas it is abundantly obvious, that the exclufive commercial privileges enjoyed by the Company in the Indian trade (however well entitled they are to them on other accounts) are contended for by them, and have been continued by the Legiflature, mainly becaufe deemed to be neceffary for the political government of India, and not at all on account of any pecuniary participation, which one of the petitions erroneoufly affumes to be now in queftion. The fame caufe alfo was underftood to require the continuance of the China monopoly, though that privilege ftands upon other irrefragable grounds, as the unlimited admiffion of Britifh fhips into any quarter of the Eaftern Seas could not be thought compatible with the fyftem adopted for the fecurity of our Eaftern territorital poffeffions. The commercial monopoly therefore is, in a word, an inftrument in the hands of the Company, for the political government of India. Such it has been maintained by them, and admitted by Minifters in the difcuffions refpecting the Charter to be; but this great truth, either as a fact or as a principle, is unnoticed in the petitions. Some of the petitioners are indeed fo juft as to recollect that the India Company have territorial rights, and to fay that it is not their wifh to trench upon them; but they do not feem to be aware, that thofe rights can be enjoyed only through the medium of commercial privileges, or that any provifion can be made for fecuring them compatibly with their own claims for an univerfal opening of the Eaftern trade. The petitioners proceed, not only as if the renewal of the privileges in the Indian trade were merely a queftion of commerce, but as if it were a queftion of ftrict monopoly, fuch as was agitated in King William's time. To the admiffion given to Private Merchants into the Indian trade, by the Act of 1793, enlarged by the arrangement of 1802, and in practice occafionally ftill further extended (not to fpeak of the confiderable privileges enjoyed by the commanders and officers of the Company's fhips) the petitioners do not advert, except to blame the Company for the alleged inefficiency of all thofe conceffions, which in reality greatly relaxed the monopoly, and made it what the late Lord Melville called a regulated or qualified monopoly. In thus cenfuring the Company, the petitioners refort to fome reprefentations formerly brought againft them, and fufficiently anfwered on their part; except in refpect to the irregular difpatch of the extra fhips from India, a matter originating with the governments there from the political circumftances of the times; but that controverfy is now paft, and quite irrelevant to the prefent ftate of things: for another point to be held up to particular attention is, that the Company have lately acquiefced in vaftly larger conceffions, that is, in a general trade between the United Kingdom and India, through the port of London. Yet this new and great change in the Indian fyftem, the petitioners too generally overlook. That it has ever attracted their notice, is only to be inferred from their contending that the trade fhall be general to all the ports of the Kingdom; but, in their attacks upon the Company, they act as if the whole original ftructure of the monopoly were ftill ftanding and obftinately defended; and when the Company acquiefce in large relaxations, the petitioners neverthelefs perfift in charging them with all the evils of the moft rigid monopoly, for the purpofe as it would feem of aggravating the cafe againft the Company in the eyes of Parliament and of the Public, and ftrengthening the prejudices which fo much pains have been taken to diffufe. Thus the political part of the Company's fyftem and its intimate connexion with commerce, is left entirely out of fight; and the prefent ftate of the Company's commercial privileges is not accurately reprefented, nor the actual ftate of the queftion concerning the future meafure of thofe privileges fairly brought into view.

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But it ought to be again and again preffed upon the public attention, that the firft and great object in any new arrangement for India, is not commercial, but political; and that the fafe and beneficial adminiftration of that empire, is a confideration paramount to all others. No one has denied, either that the Company have conducted and do conduct the adminiftration to the great improvement of the fecurity and happinefs of the vaft population that empire contains, or that the government of it fhould remain with them, and confequently that the means requifite to enable them to continue to execute fo great a truft, fhould alfo be afforded. The nature and extent of thofe means form, therefore, the precife queftion now at iffue; but on this important point, as has been already intimated, the petitions in general are quite filent, and the propofitions contained in them go to deprive the Company wholly of thofe means, particularly the monopoly of the China trade, the reafons for continuing which will be explained in a fubfequent head.

With regard to the effects of the monopoly on the manufactures, trade, and other interefts of this country, if any thing faid in thefe days to the difcredit of the Company, could occafion furprife, it would be the reprefentations given in the petitions on that head. The Company are accufed of obftructing the export of the manufactures of this country, even by fome (with an honourable exception of the reft) of thofe Woollen manufacturers who have owed their chief employment to the Company's commiffions, continued for the benefit of the nation, under a certainty of deriving no profit from the exported article.

Of thofe "undeniable documents," by which one of the petitions in an authoritative ftyle affirms, "it is proved, that if the trade be allowed to remain under "its prefent reftrictions, it will languifh, decay, and pafs into the hands of other "States; that the monopoly muft, if continued, diminifh the refources of pri-"vate wealth and of national revenue;" your Committee have never heard, and they cannot conceive that any fuch documents exift. It is more probable that the petitioners have put their own fenfe upon the ftatements of the Company, which furnifh the moft authentic materials in this cafe, and if fairly examined, with a reference to other relative circumftances, will lead to conclufions directly oppofite. The fubject of the American trade to India, which feems chiefly alluded to, will be difcuffed in the fequel. That trade, as will hereafter more fully appear, has owed its increafe effentially to the ftate of war in which this nation has been placed for a long feries of years paft. If the American trade with India were ftill going on, a much eafier and jufter remedy for the alleged evils of it could be found, than the extinction of the Company's remaining commercial privileges. But thefe heavy forebodings are pronounced, when America and every European nation (the diftreffed one of Portugal excepted) are actually wholly excluded from the Indian feas.

There feems to be a general and deplorable delufion refpecting the practicability of a vaft extenfion of the fale of the manufactures of this country, in India and China, and of the productions of thofe countries here. This queftion will be the immediate fubject of a following article; but your Committee may, in the mean time, confidently fay that the Company have, in a long courfe of years, made more numerous, perfevering, coftly experiments, in attempting to pufh the vent of Britifh commodities, particularly woollens and metals, in the Eaft, than the means, the refources, the fafety of private merchants, are likely to enable them to make. The correfpondence of the Company with their fervants abroad at different periods, on this interefting concern, would fill many volumes. That the Eaft India Company, far from impeding the profperity of the country, as the petitions, in oppofition to hiftory and experience, allege, have by means of their monopoly effentially contributed to its wealth and its greatnefs, it will be much more eafy to fhew, than to difcover accurately, where the limit of the advantages refulting from their inftitution is to be fixed. They gave a very early impulfe to the manufactures and trade of this country; they opened a new commerce, not with the Eaft only, but, by means of their returns from thence, with foreign Europe; they foon increafed the fhip-building and improved the navigation of the kingdom, both which they have, in latter times, carried to a degree of ad-

vancement that has made their fleets serviceable in the wars of the nation, and the commanders succefsful in adding to the naval glory of their country. Againſt the jealous rivalſhip of the Portugueſe and Dutch, they, through a long courſe of hoſtilities from a ſuperior force, maintained for this nation a ſhare in the India trade; they preſerved it from being totally loſt, amidſt all the convulſions of the civil wars; they outlived even the more dangerous innovations of ſubſequent periods; they upheld in India the national intereſts againſt the ambitious deſigns of European enemies, and the deſpotic violence of Native powers; and in a long and arduous ſtruggle, maintained, with little exception, at their own expenſe, they acquired a territorial empire for the Mother Country, which exalted its rank in the ſcale of nations. They have, ſince, expelled every European nation, except our ally of Portugal, from the Indian continent and ocean, and they have given a better government to an immenſely extended empire, than the Eaſt ever ſaw before.

In all this progreſs, not the ability and wiſdom of their civil ſervants only have been conſpicuous, but the talents and valour of their military officers have ſignally added to the glory and renown of the Britiſh nation. By thoſe officers, a grand army has been formed of native troops, in diſcipline, attachment and efficiency, a juſt ſubject of admiration; and from the time of the firſt Clive downward, the exploits performed by the Company's military ſervants in India, equal in brilliancy thoſe recorded in any period of modern hiſtory.

To all theſe public benefits is to be added, the direct wealth with which the Company have been the means of enriching the nation. The amount of theſe contributions, conſiſting in the profits of manufacturers, ſhip-builders and tradeſmen, ſhip-owners and officers, ſervants and labourers, miners, re-exporters of Eaſtern productions to foreign parts, and other deſcriptions of perſons gaining by the Company's trade, in dividends to proprietors, payments to Government, and the influx of private fortunes acquired in India, eſpecially in the laſt fifty-five years, may perhaps be moderately eſtimated at one hundred millions ſterling. Such are the injuries, the grievances, the evils, ſuch the degradation, which the Eaſt India Company have brought on the country.

Thirdly, The charges under the third head are nothing more than groundleſs accuſations, calculated to render the Company unpopular, and, except the firſt article, which is new, have been often anſwered; as to this article, it is not true that, on the whole, the Company's imports have decreaſed, although the ſales have in ſome years, fallen off, by the excluſion of Britiſh commodities from the European continent; an evil common to all the merchants of this country, but now the occaſion of a charge againſt the Company. And what virtue can the expulſion of enemies and rivals from the Indian Seas have to increaſe trade, if, when merchandize is brought to Europe, there is only a tardy and diminiſhed ſale for it? Again, is it a thing of courſe, that recently acquired provinces, impoveriſhed, unſettled, containing a people every way diſſimilar to us, ſhould purchaſe our commodities, when the inhabitants of other parts of Hindoſtan, where we have been ſettled for ages, have ſtill ſo little reliſh for them? The ſtipulation in the Act of 1793, for a pecuniary participation by the Public, was a conditional ſtipulation, depending on a contingency, which has never become a reality but in one year, that immediately following the laſt renewal of the Charter. The long war in which, with hardly any intermiſſion, this country has been engaged ever ſince 1793, has, by increaſing the Company's expenſes beyond the moſt extravagant ſuppoſition that could have been previouſly formed on that head, abſorbed all the expected ſources of accumulation. Of this, every Adminiſtration ſince 1794 has been ſenſible; but the ſame utterly groundleſs charge continues to be repeated. "This promiſed participation," ſay ſome of the petitions, "has "been converted by the Company into repeated claims on the public purſe, and "credit for enormous ſums, to ſupport their eſtabliſhments:" a moſt unfounded ſtatement. The Company have never had occaſion to apply for aid to ſupport their eſtabliſhments; their applications to Parliament have either been in conſequence of levies by Government on the ſcore of participation in the territorial revenues,

revenues, or for reimburſement of immenſe ſums expended for the State in military expeditions—ſums very tardily acknowledged, and not yet fully paid; or to enable the Company to meet the transfer of Indian territorial debt to this country; a debt not increaſed by their order, or according to their wiſh, though the petitions charge the increaſe to them, but ſanctioned by His Majeſty's Government and by Parliament; a debt which, every intelligent perſon knows, it never was or can be poſſible, in the nature of things, to diſcharge out of the Company's commercial funds, and therefore moſt unjuſtly made a ground of accuſation againſt them.

Fourthly, The claim to a full and free Trade, as the right by birth and inheritance of every ſubject in the realm, and the arguments in favour of extending it to the Outports, are contained under the fourth head.

With regard to the general poſition on which the arguments are founded, little need be ſaid. It is an obvious principle, that men, living in ſociety, muſt ſubmit to the laws of the ſociety and to reſtraints upon their natural liberty, when the public intereſt, in the opinion of the legiſlative authority, requires it. The Indian monopoly was at firſt eſtabliſhed, becauſe it was thought beneficial to the commercial intereſts of the country. It was long continued on the ſame principle; now it is more a political than a commercial queſtion. It may be ſtated thus:—whether it be more for the intereſt of the nation to maintain the Indian empire, under the ſyſtem which has hitherto preſerved and improved it,—a ſyſtem greatly relaxed as to the trade with India, and which has alſo preſerved a lucrative commercial intercourſe with China,—or to adopt a ſyſtem of entirely free commercial communication with both countries at the hazard of loſing that empire and the China trade, or of rendering the tranquillity and retention of the one, and the enjoyment of the other, leſs ſecure. Until this queſtion, or one reduced to ſtill lower terms, namely, whether it would be prudent, for the ſake of the object in view, to run any hazard where the ſtake is ſo great, is ſolved in favour of an open trade, the plea of natural inherent right has no title to be heard. No ſuch ſolution has yet been produced. It has, on the contrary, been ſhewn, that dangers and diſadvantages, both in the Eaſt and at home, would attend the opening of the Trade; but it has not been ſhewn, that any meaſures which have been ſuggeſted as preventives, would be at all effectual. No adequate proviſion, therefore, againſt thoſe dangers and diſadvantages is yet propoſed; hence it may fairly be preſumed, none has been found. But, until ſuch a remedy is diſcovered, the preſent ſyſtem ought not to be overturned. The opening of the Outports would, according to the unanſwered reaſonings of the Court, have this effect. The opening of a part of the Outports would lead to the ſame effect, though, perhaps, by a ſomewhat ſlower progreſs; for it would immediately reduce and derange the periodical public ſales of the Company, which is the maſter wheel in the mechaniſm of their Import Trade. His Majeſty's Miniſters, in not propoſing to open all the Outports, both admit the contingency of danger from ſuch a meaſure, and ſet aſide the argument of univerſal inherent right; but it remains utterly unproved, that danger would not reſult from opening even a few Outports, eſpecially if the Export Trade is allowed to all; and that after any had been ſo privileged, which would be in effect a monopoly againſt the reſt, thoſe others would never be quiet, until they alſo were admitted; ſo that the whole of the danger will follow from the firſt ſtep, and ought to be contemplated accordingly. It may juſt be obſerved, that the quality aſcribed to certain countries, as giving the petitioners more particularly a right to a free Trade with them; the quality of having been "acquired and maintained by the efforts and valour "of the forces of His Majeſty," properly appertains neither to Hindoſtan nor to China, and that the territories held by the Company were acquired by undue excluſive powers and privileges received from the legiſlature.

Upon the ſame ground of natural inherent right, and of the neceſſity of the exerciſe of that right, as eſſential to the maintenance of the manufactures and commercial proſperity of the country, is placed the claim of the Outports to a free importation of goods from India and China. Under the fourth head, therefore,

fore, your Committee have collected the ſtrength of the arguments contained in the petitions in ſupport of this claim; arguments to which the Preſident of the India Board was pleaſed to refer the Court. The argument of inherent right has been already conſidered: the other arguments, which may be given in the words of the Glaſgow petition, are, "That the confinement of the Indian imports to "the port of London would be unneceſſary, impolitic, and unjuſt: unneceſſary "becauſe, firſt, the ideal difficulty of collecting the taxes is fully obviated, by the "known ſafety with which the duties are levied on articles of Weſt Indian and "American produce: and ſecondly, becauſe the duties may be collected with "greater eaſe and leſs loſs from pilferage in the Outports; unjuſt, becauſe every "mercantile place in the kingdom is entitled to the ſame privileges; and im-"politic, becauſe the ſuperior economy and diſpatch that prevail at the Outports "are requiſite to ſecure an equality with foreign nations."

On the ſecond of theſe three arguments it may be obſerved, that the claim of all the Outports to a participation in the Indian trade, as matter of equal right, ſtands upon the ſame principle as the claim of all individuals, which has juſt been conſidered, and muſt be determined in the ſame way and order; it therefore demands no farther notice here. If it ſhall be judged, that no larger intereſt than that of the Outports oppoſes their claim, then, and then only, will it be entitled to attention.

The firſt argument is; the known ſafety, and greater facility, with which duties are collected at the Outports Whether that facility be, in fact, greater or not, it is needleſs to examine. If it were indeed ſo, it would ſtill leave undecided a much more important queſtion; the danger of ſmuggling. On that danger the Court have enlarged in their Letters to the Preſident of the India Board, of the 13th January 1809, and 15th and 29th of April 1812. Your Committee cannot but hope, that theſe Letters will be peruſed by Members of Parliament, as their contents are material to a juſt conſideration of the ſubject. The Court have reſpectfully ſtated to Lord Buckinghamſhire, that no adequate anſwer has been given to theſe letters: his Lordſhip, in addition to what he has himſelf ſaid, has referred the Court to the petitions. The argument juſt quoted, is the moſt direct and indeed the only one to the point which your Committee have diſcovered in all the petitions. But it does not meet the main objections of the Court, taken from the danger of ſmuggling; they remain untouched and unnoticed.

Thoſe dangers were contemplated, upon the ſuppoſition, that only the opening of the Indian trade was in queſtion; and in this way your Committee will now conſider them, reſerving to a future article ſome remarks on the ſtill greater danger of ſmuggling, which would follow, if the China monopoly were aboliſhed; and which would be experienced, whilſt our merchants were permitted to viſit China at all. It is from the facilities of ſmuggling tea, that ſhips cleared out for or from India, would find in the Eaſtern Iſlands, in the voyage home, and on the coaſts of Scotland and Ireland, that the Court have apprehended the chief dangers would ariſe. In the Eaſtern Iſlands there are no Cuſtom-houſes, clearances, or manifeſts. There are great ranges of coaſts in the remoter parts of the United Kingdom, where there is no Cuſtom-houſe: bulk might be broken, and no detection follow where the ſhip ſhould afterwards be regularly entered. It does not in the leaſt follow, that theſe evils might not happen, though it ſhould be true, that the taxes on Weſt Indian and American commodities are ſafely collected; for theſe commodities come generally in very large unwieldy caſks or packages, are, in proportion to their bulk, of much leſs value than Tea, which is alſo packed in ſmall portable caſes, and they come from countries abounding with regular Cuſtom-houſes, whence they cannot ſail without manifeſts and clearances; yet with all theſe ſafeguards, your Committee are credibly informed, that the Americans find means to ſmuggle Tea into this country. But, even ſuppoſing ſhips came direct to an Outport, without having broken bulk, what compariſon is there between the collection of duties at any port, provincial or metropolitan, and the collection of tea duties with perfect certainty, facility, and a very trifling expenſe, at the India Houſe? The objections ſtated at large in the Court's letters, your Committee beg leave to repeat, remain without any ſound anſwer; and it is

is extremely material to obferve, that the opinions maintained in them, on this fubject, are corroborated by the reports which the Boards of Cuftoms and Excife have made to His Majefty's Minifters, refpecting the danger that would arife to the revenue from the adoption of the new fyftem; a danger which, in their judgment, would be inevitable.

The third argument urged in the petitions, is taken from the neceffity of fecuring an equality with foreign nations, which, it is faid, the fuperior economy and difpatch at the Outports will do. If this alleged advantage of the Outports were admitted, it would, in the opinion of your Committee, weigh but little in the general queftion. The difference cannot be material in itfelf, and its effect little, in a trade fo unlikely to become of any magnitude.

There are, however, other confiderations of great weight belonging to the queftion of opening the Outports, to which the petitions do not advert. One of thefe is, the immenfe interefts which the port of London, with all its defcriptions of merchants, tradefmen, tea dealers, factors, brokers, dyers, packers, callenderers, infpectors, labourers, fhip builders, fhip chandlers, rope makers, fhip owners, mariners, and all their train of eftablifhments, warehoufes, wharfs, docks, yards, premifes, fhipping, formed in the courfe of two centuries, in which the Company's privilege, and the law of the land, have made the metropolis the fole feat of the Eaftern commerce; all thefe interefts, with the Corporation of London, have reprefented to Parliament, the ruin in which they would be involved by the opening of the trade to the Outports. The Company's periodical public fales, on which fo much of the order and fuccefs of their bufinefs depend, would be interfered with, and their very large property in warehoufes and other buildings deteriorated; in fhort, all the inftitutions, public and private, of the capital, for carrying on the Eaftern trade, would be fhattered or broken down. The removal of the trade would effect this, although the new fpeculations and enterprizes would eftablifh nothing equivalent in other places, far lefs compenfate the loffes of the fupplanted parties. Your Committee cannot go into this fubject fufficiently to give a juft fenfe of the magnitude and importance of it: but they may ferioufly afk—Is the cafe equal between the people of London and thofe of the Out-ports? Would it be right to expofe to privation and ruin one fet, by withdrawing from them what they have long enjoyed, in order to add to the comfortable provifion the other fet already poffefs; and this only to fave them the flight inconvenience of bringing their Indian imports to the port of London.

Let it never be forgotten too, that the Indian people are concerned in this queftion; the Court have already in their letters to Lord Melville and Lord Buckinghamfhire ftated their apprehenfions, that the opening of the Outports to imports from India, might increafe the refort of European adventurers to India. It has been advanced in return from fome quarters, that the police of India is fo excellent, as to obviate every danger of this kind: your Committee are forry to obferve, that they find in the records of the Bengal government, informations concerning the police, which do not warrant them to conclude quite fo favourably of it; for in fact, with all the progreffive improvements in the fyftem of the government there, they have not yet been able to bring the police into a ftate of perfect efficiency. The Fifth Report of the Committee of the Houfe of Commons has entered much into this fubject, and one quotation from the conclufion of it, may fuffice to juftify this obfervation:—" It does not, therefore, appear to " have been from any want of information in regard to the imperfect ftates of " the police, that the Government was unable to prevent its becoming worfe; " but rather, as your Committee fhould fuppofe, from the difficulties which pre- " fented themfelves to the application of an efficacious remedy."

Fifthly, On the China monopoly. Befides the connection already noticed of the China monopoly with the policy of our Indian fyftem, the uniting of this trade under one head is neceffary, both on account of the extreme caution required in the conduct of our intercourfe with fo jealous and inflexible a government as the Chinefe, and of the fecurity of the large revenue derived by the

Britiſh public from the branch of commerce. The habits of the Chineſe nation are known to be as fixed as they are peculiar; their government is a pure deſpotiſm, jealous of the ſmalleſt tendency to inſubordination or innovation; the people are guided by a principle of implicit ſubmiſſion to their ſuperiors; and both government and people hold all diſorderly conduct in the utmoſt abhorrence. Foreign trade is held in low eſtimation, and the commerce which Europeans have been permitted to carry on is ſubjected to manifold and rigorous reſtrictions, intended to prevent the intermixture of ſtrangers with the natives, and to guard againſt their entrance into the interior of the country, and hazard of their becoming, in any way, troubleſome to the government. The ſhips of European nations are allowed to reſort to only one port in an empire of ſo vaſt extent; and there even, no ſtranger is permitted a conſtant reſidence without credentials from the ſovereign of the ſtate to which he belongs. When a factory is eſtabliſhed, for which one ſpot is fixed, the factors are confined to very narrow precincts around it; they dare not make an excurſion beyond thoſe precincts into the open fields, nor enter into the cloſely adjoining city of Canton. The government of China does not allow to its own ſubjects freedom of trade, or unreſtrained intercourſe with foreigners: both are interdicted; and the reſtrictions impoſed, together with the ſumptuary laws in force, oppoſe the ſtrongeſt obſtacles to any great extenſion of the ſale of our manufactures among the Chineſe. The trade with Europeans is given in monopoly to a company of ten or twelve Chineſe merchants, ſtyled the Hong; and theſe merchants become reſponſible to the government for the conduct of the foreigners with whom they deal. After the ſhips are diſpatched for the ſeaſon, the factors are obliged to withdraw to the Iſland of Macao, a low Portugueſe ſettlement, till the ſhips of next year arrive. And with reſpect to the ſhips, they are, whilſt in harbour, under the controul of the Chineſe officers, who are empowered by law to take the cuſtody of their guns. And if, in the intercourſes, and conſequent frays, between the natives and our Engliſh ſailors, one of the former happens to meet his death, *by accident*, from an unknown hand, it may produce the moſt ſerious conſequences; for the Chineſe government has been known, in ſuch a caſe, to claim the life of an European in expiation; and for an occurrence like this the Company's eſtabliſhment is held reſponſible, and their trade liable to be ſtopped. With a government ſo abſolute in requiring implicit conformity to its peculiar law and uſages, and ſo marked with pride, ſuſpicion, and deſpotiſm, Britiſh ſubjects have the utmoſt difficulty to act; and the Company's agents frequently ſubmit to caprices and humiliations, to which the honour of a Sovereign would not allow any repreſentative of his to yield. Is it therefore in the leaſt probable, that the Chineſe would tolerate the indiſcriminate ingreſs of numberleſs unconnected, unaccredited Europeans? or, if they did give them admiſſion, that their multiplied, irregular, deſultory viſits and intercourſes with the natives, would not be attended with diſorders; with violations of Chineſe uſages (with ſmuggling for inſtance, a high offence in China), which would ſoon end in the utter expulſion and excluſion of theſe ſtrangers, or in ſuch injuſtice and humiliating puniſhments, on the part of the Chineſe government, as might call on the honour of this country to demand redreſs? The ſplendid embaſſy which His Majeſty ſent by Lord Macartney to the Emperor of China, had, with all its impoſing attendant circumſtances, and all the ſkilful addreſs of that nobleman, no influence to induce the Chineſe government to relax from their rigid reſtrictions on the commerce and intercourſe of Britiſh ſubjects with its territories; and it may be ſafely concluded, that all which that government muſt have ſince heard reſpecting the revolutions in Europe, will make it adhere ſtill more obſtinately to its jealous precautionary ſyſtem. To all theſe probable dangers, the petitioners oppoſe nothing but the honourable character of Britons, and the example of the American adventurers to China. Frail dependence!—Britiſh ſailors carry to every ſhore their habits of exceſs, as is too often found in the Company's ſhips, notwithſtanding the ſtrict diſcipline eſtabliſhed in them. The American ſeamen are a much more ſober and quiet claſs of people, and the adventurers of that nation have derived in China a ſanction

tion from the pre-eſtabliſhment and credit of the Engliſh factory, to which, from their language and manners, they appeared to be related It is, indeed, by the prudent reſpectable conduct of the Company's repreſentatives there, in the management of their own truſt, and the controul exerciſed by them over other Britiſh ſubjects; it is by this means, and by the extent and regularity of the Company's dealings; by their probity now ſo famed, as to paſs the bales which have their mark, without inſpection, through the Chineſe empire, that this jealous and ſupercilious people have been at length greatly conciliated: but the Company's eſtabliſhment could not, on the principles now propoſed, retain either its credit or poſition. To expoſe a trade of ſuch value and importance to the nation and the revenue, to hazards ſo great; to break down the preſent ſyſtem, with the immenſe eſtabliſhments and property connected with it, particularly the China fleet of the Company, a thing unparalleled in the commercial annals of the world, would therefore, in every view, commercial, financial, and political, be utterly unwiſe; and if this deſperate riſk were run, further evils would await the new ſyſtem at home. Upon the ſuppoſition of a general reſort of Britiſh ſhips to China, how would it be poſſible to prevent the ſmuggling of Tea on the coaſts of England, Scotland, and Ireland, with the facility which exiſts of receiving that article on board in many of the Eaſtern Iſlands, where there are no Cuſtom-houſes, and with the temptation of evading a duty of ninety-five per cent. at home? The petitions offer not the leaſt ſatisfaction on this point; a point highly intereſting, as has already appeared, if the queſtion were only about opening the Indian trade to the Outports; but yet more intereſting in reſpect to the propoſal for laying open the China trade, which is, at the beſt, a propoſal to incur the moſt imminent riſk of loſing that trade, and the great revenue ariſing from it, merely in order to change the hands through which it ſhall paſs; for ſuppoſing it to be preſerved to the nation, there is no reaſonable ground to think that it could be increaſed, becauſe the Chineſe now *take our Woollens only in barter* for Tea, and the preſent importations of Tea are as large as the country requires.

Sixthly, On the complaints of the ſuperior advantages enjoyed by neutrals, particularly the Americans, in the Indian trade. The veſſels of the American States firſt appeared in the Indian ſeas about the year 1785. At that time ſeveral European nations poſſeſſed ſettlements on the continent of India, in virtue of grants from the native ſovereigns, recogniſed by this country, after the Company obtained territorial dominion. It had not then been diſputed, that thoſe ſettlements might receive other European flags as well as their own (though the Company have within theſe few years properly held, that the original grant gave a right of trade only for the ſhips of the nation to whom the grant was made); therefore the Bengal government thought it politic to admit the American ſhips into the Britiſh ports, rather than oblige them, by refuſal, to carry their cuſtom to the French, Dutch, and Danes. This was, however, merely a gratuitous licence, revokable at pleaſure. But in 1794, the government of this country, induced by the political circumſtances of the time, gave to the United States, by treaty, a right to a direct trade between their own ports and thoſe of Britiſh India, on the terms of the moſt favoured nation; and in 1797 the privilege of free ingreſs to the Britiſh ports in India was conferred on all friendly nations. By the long continuance of the war which followed the French revolution, theſe conceſſions proved of unforeſeen high advantage to the ſubjects of the American States. The ſettlements on the Indian continent, of the French, and of the Dutch and Danes, who had fallen under French influence, were ſucceſſively captured by the Engliſh. The Portugueſe and Americans were then the only neutrals who frequented the Indian ſeas; and the troubles of Portugal at length left the neutral trade very much in the hands of the Americans, who ſucceeded in effect to the excluded traders of foreign Europe, and ſupplied their wants, as well as thoſe of the increaſing population of the United States, and the demands of Spaniſh America. The ſubjects of thoſe States, undoubtedly, abuſed the privileges conceded to them by His Majeſty's Government, in the Indian trade; they

were by treaty reſtricted to a direct trade between America and India; but they viſited the ports of foreign Europe going and returning, and became the general carriers. They even ſupplied our own Weſt Indian and North American colonies with Eaſtern commodities, and they entered actively into the China trade, deriving a facility of admiſſion there, from being viewed as a caſt of Engliſhmen; perhaps alſo, a ſanction from the countenance of the Britiſh eſtabliſhment there.

For ſeveral years after the appearance of the Americans in the Indian Seas, they were, no doubt, aſſiſted by Britiſh capital; partly by that which wanted a remittance to Europe, but to no very great amount. They exported from Bengal in ten years, through which their trade on the whole was conſiderably progreſſive, and which ended with 1804-5, goods to the amount of ſicca rupees 3,71,50,029 (£4,643,575), or £464,357 per annum; and they imported, to the amount of ſicca rupees 3,12,48,544 (£3,906,068), or £390,606 per annum. The exceſs of exports above the imports, being in ten years £737,507, or £73,750 per annum, may be ſuppoſed to be the property of Britiſh reſidents in Bengal, remitted by the way of America. Whether they were furniſhed with Britiſh capital from London, and to what amount, it is difficult to aſcertain; but it appears evident, that as they proceeded in the trade, their imports to Bengal more nearly equalled their exports, which ſhews they were better able to do without Indo-Britiſh aſſiſtance, and probably it was the ſame as to European* aſſiſtance. Upon this trade, however offenſive to our private merchants, and in ſome views alſo to the Company, it may be juſtly obſerved, that it was favourable to Britiſh India. It carried ſeaſonable and large ſupplies of bullion to that country, from year to year; not above a ſeventh of its imports being in goods, and theſe chiefly wines and other articles for the conſumption of Europeans; it alſo carried the commodities of India to foreign Europe, to Spaniſh America, and other places to which Britiſh ſhips, on account of the war, could have no acceſs; and when, by the policy and increaſing power of Buonaparte, the produce of this country and its colonies were nearly ſhut out from the Continent, the Americans ſtill continued to introduce the commodities of India there, and with the returns of their adventures they probably purchaſed Engliſh manufactures to carry to the American continent; ſo that this country alſo eventually benefited by their Indian trade; and, however much their large participation of that trade became a matter of complaint among Engliſh merchants connected with India, it is certain, that whilſt we were engaged in war with almoſt all Europe, thoſe merchants could not, even by circuitous means, have occupied the place which the Americans filled in the Indian commerce; of which poſition no other proof is neceſſary, than the frequent want of ſales for the goods, public and private, actually brought into the India Houſe during the period in queſtion. The great progreſs and profit made by the Americans in the Indian trade, therefore, proceed eſſentially, not from their activity, or the advantage of individual enterpriſe, but from their neutral character; which, beſides giving them acceſs to countries from which

* Other Averages of the American trade with India, from Statements before your Committee, may alſo be here noted:

	In ſix Years from 1802-3 to 1807-8.			In three Years from 1808-9 to 1810-11.		
—	Goods.	Bullion.	Total.	Goods.	Bullion.	Total.
	£	£	£	£	£	£
Imports into all India	957,224	6,528,250	7,487,524	351,602	4,531,233	4,882,836
Exports - ditto -	6,901,269	25,696	6,926,965	5,107,318	9,625	5,117,443

belligerents

belligerents are ſhut out, enables them to navigate more cheaply, eaſily and expeditiouſly; and it may be taken as a certainty, that whenever war ceaſes, all their advantages will ceaſe with it, and their power of entering into competition with us in the trade of our own ſettlements, be very greatly reduced. The cry that has been raiſed and continued againſt the Company on this account, confeſſedly with the view of obtaining a general admiſſion of Indian ſhips into England, is therefore altogether unfair. If a circuitous trade in Indian commodities, from Britain to foreign parts, has been prevented by the rivalſhip of the Americans, the Company have ſuffered as well as individuals. They have ſuffered alſo by the ſmuggling of Eaſtern articles from America, into our Weſt Indian and North American colonies. They were anxious to check the abuſes of the treaty of 1794, and when it expired, they obtained the conſent of His Majeſty's miniſters to impoſe a double duty on the neutral trade with India, which then applied almoſt ſolely to the Americans; but if the complaints againſt the rivalſhip of the Americans in the Indian trade had been well founded, what was the natural and proper remedy? Was it, that the Company, part of whoſe own trade had, during the war, paſſed into American hands, ſhould ſacrifice the reſt of their excluſive privileges, and, by the extinction of them, endanger the territorial poſſeſſions? Or was it not obviouſly, that the Americans ſhould be excluded from a trade ſuppoſed to be carried on at the expenſe of Great Britain? Yet this cry is ſtill unaccountably kept up, even when we are at war with America, and the flag of the United States dares not be ſeen in the Indian ſeas. Nay, it is kept up to injure the cauſe of the Company, after they have actually agreed on enlargements of the trade to England, greater than ever were contemplated, even by the private merchants of India, before the preſent negotiation; and, if enlargements could effect the object, more than ſufficient to bring the whole Indian trade of the Americans to the port of London.

It is ſingular that the party who complains of the large ſhare that has been engroſſed by the Americans of the Indian trade, ſhould be the ſame party who complain alſo of the large ſhare which the Americans, in a ſtate of neutrality, enjoyed of the Britiſh trade between Great Britain and foreign nations. It is well known that previouſly to the rupture between England and the United States, it was urged as a grievance, that though America exported from this country to the amount of twelve millions ſterling annually, the country was *not* benefited to the utmoſt poſſible extent from this export trade, becauſe the Britiſh merchants and manufacturers were, by the intervention of America, deprived of the carrying and of the ſecond ſelling profit upon the manufactures. America, it was alleged, bought from us to a great extent, and Great Britain was to a certain degree, a gainer to the extent of the American purchaſes; but becauſe America ſold our goods at ſecond hand (to the Spaniſh Americans for example) it has been alleged, that had it not been for the intervention of the North American States, *we* ſhould have ſupplied Spaniſh America, and in addition to the profits we have received, would have engroſſed all the advantage which has accrued to the merchants of the United States from the carrying and circuitous trade. But may it not, on the other hand, be argued, that if the Britiſh manufacturers, in an open trade and during a ſtate of war, have found the aſſiſtance of America neceſſary to the circulation of their own manufactures, the ſame aſſiſtance was wanted by the manufacturers of India to the circulation of their productions; that the large exports from India, as well as the large exports from Great Britain, by the Americans, were owing to their neutral character; that if the trade between India and England had been as open as is now contended for, the quantity of Indian goods, circulated through the world, could not have been greater than it has been, under the competition that has actually exiſted between the merchants of the United States, and the Eaſt India Company; and that a greater ſhare in the export trade from India could only have been obtained for the free Britiſh traders in one of theſe ways, either by America abandoning, or Great Britain returning to her pacific relations with other countries. If a free trade has the virtue that is imputed to it, why, under complete freedom of trade, has this country been rendered tributary to America for a rent to the produce of Britiſh induſtry? and

if the pacific relations of ſtates paſs for no account in ſuch a queſtion, whence the congratulations we ſo often hear upon what we have gained, and may yet gain, by the rupture with America ?*

Seventhly, That the diſtreſſes of the manufacturers, the excluſion of our trade from the continent of Europe and from North America, its conſequent great decline and the ſupport of the war, require new channels of enterpriſe, and therefore an open trade.

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* The following Statement, which has been received from an intelligent merchant who reſided a number of years in America, ſhews the advantages under which the trade of that country was carried on, in a ſtate of peace.

The advantages which Americans, as ſhip-owners, enjoyed in a ſtate of neutrality, are obvious ; not only from their free communication with belligerents, but from other cauſes.

Their firſt rate veſſels do not coſt one half what thoſe of the ſame tonnage built in Britain generally coſt ; hence the capital employed is one half leſs, and one half the inſurance is ſufficient to cover the property at ſtake.

The premium of inſurance of an American neutral from Britain to America, was leſs than half what was given on an Engliſh veſſel for the ſame voyage ; on Americans, the premium was from two to two and a half per cent., on Engliſh veſſels from five to ſix per cent.

The countervailing duties in America, induced ſhippers always to give a preference to American veſſels. Goods arriving in America, paid twelve and a half to fifteen per cent. duties, whilſt the ſame goods, by a Britiſh veſſel, not only paid the ſame rate of duty, but an additional ten per cent. on the amount of thoſe duties, which is one and a quarter to one and a half per cent. increaſed duty.

The freight of goods from America to England, in American bottoms, was never, in the beſt times, higher than one ſhilling and ſixpence per foot ; and many times the whole freight of an homeward-bound American of three hundred tons (that is to ſay, an American going from this country) could have been had for £300. or £400. The cargoes of three fourths of Americans homeward, conſiſted either of crates of ware, ſalt, or coals ; which are well known to yield but a very ſmall freight indeed, taking the whole difference betwixt the purchaſe and ſale, as freight.

The proviſioning a ſhip in America, did not certainly coſt more than one half that proviſioning the ſame ſhip in Britain would have coſt ; bread at 16*s.* ; beef at 30 *s.* to 36*s.* ; pork at 45 *s.* to 50 *s.* ; rum at 2 *s.* ; I believe will not be more than half the Britiſh prices for the ſame articles ; and theſe were the current rates in 1800 to 1805.

Upon a calculation of all theſe advantages, it will be found that an American, in war time, could make a ſaving voyage from any of theſe ports to this country and home, when an Engliſh veſſel would inevitably have brought her owner into debt ; and that an American could actually import goods into the United States from this country, and ſell them, at their average wholeſale importation profit, to others as low as a Britiſh merchant could ſend them to America in a Britiſh ſhip, and deliver them over to be tranſhipped without any profit at all.

The American ſhips being of a lighter conſtruction than ours, they ſail with at leaſt one third fewer hands.

The following Statement will better elucidate theſe remarks. An American of 250 tons is employed in a voyage to Britain and back ; her value, as a firſt-rate veſſel for that trade, is £2,000. ; and the voyage occupies five months. A ſhip of 250 tons would carry 3,000 barrels of flour, at 9*s.* which was the ordinary freight - - - - £ 1,350
The average freight home of ſuch veſſels could not exceed - - 600

£1,950

AMERICAN CHARGES.	£	s.	d.
Inſurance out and home £2,000. at 4½ per cent. -	95	—	—
8 men 5 months, at £5. -	200	—	—
Captain and mate, £10. each -	100	—	—
2,400 lbs. bread, at 16*s.* -	19	4	—
Beef, 10 barrels, at 32*s.* -	16	—	—
Pork, 10 do. at 50 *s.* -	25	—	—
150 gallons rum - -	16	17	—
Intereſt of £2,000. 5 months -	41	13	4
£	513	4	4

BRITISH CHARGES.	£	s.	d.
Inſurance out and home, veſſel valued at £4,000. at 9 per cent.	360	—	—
12 men five months, at £5. -	300	—	—
Captain and mate -	100	—	—
360 lbs. of bread for 14 people 5 months, at 32 *s.* -	57	12	—
15 barrels of beef, at £4. -	60	—	—
15 do. pork, at 90*s.* -	67	10	—
220 gallons rum, at 5*s.* -	55	—	—
Intereſt of £4,000. 5 months -	83	6	8
£	1,083	8	8

Theſe are not to be underſtood as the total charges on the voyage, but are thoſe which ſhew the advantages which Americans have enjoyed.

Every

Every Britiſh heart muſt lament the obſtructions to which our commerce has been ſubjected, muſt wiſh for the removal of all continental excluſions as well as of our differences with America, and that commercial freedom and activity may be reſtored. It is alſo extremely deſirable that new ſources of trade ſhould be diſcovered, and natural for thoſe who are now ſuffering under privations and hardſhips, to catch eagerly at the flattering proſpects and promiſes ſo confidently held out to them from opening the trade with the Eaſt. But can the Court of Directors, thoroughly convinced as they are, that all ſuch expectations are groundleſs and deluſive,—that thoſe who ſhould act upon them, if the trade were opened, would be ſure to experience ruinous loſs and diſappointment, and that the abolition of the Company's commercial privileges would be in effect the extinction of the whole of the preſent Indian ſyſtem;—can the Court, with theſe convictions, lend themſelves to promote a dangerous deception, already too prevalent, at the ſacrifice of ſo much individual intereſt, and of that public intereſt, the care of which is intruſted to them? If it were, indeed, probable, that by a ſlow proceſs the commercial intercourſe between this country and the Eaſt could be enlarged, the effect would be far too diſtant to relieve preſent preſſures, and the firſt adventurers be more likely to plunge the trading world into freſh difficulties; as proved to be the reſult of the general ruſh into the trade of Buenos Ayres, where it was eaſy to ſend exports, but difficult to find ſale or return. It will, perhaps, now be ſaid, that the trade with Buenos Ayres has become a regular one; but it can be a regular one only to a very limited extent, being, indeed, partly what ſubſiſted with Liſbon, before it was turned into a different channel; it may not, in a long time, replace the vaſt ſums at firſt loſt there; and at any rate, it diſplaced no important ſyſtem exiſting before. From the late very favourable change in the affairs of Europe, a better proſpect of relief now appears; from the Eaſt, it will be found, that no hope of any can be rationally entertained.

Eighthly, That a free Trade to the Eaſt would be a ſubſtitute and cure for all preſent commercial evils; would open an unbounded field to Britiſh manufactures, Britiſh capital, ſkill, enterpriſe and knowlege, which would not ſupply the wants of the vaſt population of the Eaſt, but create wants where they did not exiſt.

The practicability of extending, in any great degree, the commerce of this country with the natives of the Eaſt, in Exports and Imports, is undoubtedly a vital queſtion on the whole of the diſcuſſion reſpecting the renewal of the Charter; for if no ſuch extenſion be indeed practicable, to what end ſhould the preſent ſyſtem, with all the eſtabliſhments which have grown out of it, be deſtroyed? The Britiſh merchants appear to entertain the moſt extravagant ideas of a new world for commercial enterpriſe; ideas upon which they are ready to riſk their own property, and to ſacrifice all the intereſts of the exiſting Indian ſyſtem. The Company, backed by the great maſs of Britiſh ſubjects now in Europe, who are acquainted with the countries of the Eaſt, maintain, in direct oppoſition to all ſuch imaginations, that it is not now poſſible greatly to extend among the inhabitants of the Eaſt, the conſumption of Britiſh productions, or in this country, the ſale of Aſiatic commodities. On the ſide of the merchants, there is in truth nothing but a ſanguine theory; on the ſide of the Company, there is the experience of all the nations of Europe for three centuries; there is the teſtimony of ancient hiſtory; there are the climate, the nature, the uſages, taſtes, prejudices, religious and political inſtitutions of the Eaſtern people. If the diſcovery of the paſſage by the Cape of Good Hope, and the account of the firſt Europeans ſent by that route to the ſhores of India, were only juſt announced to us, ſome explanation might be given of the enthuſiaſm with which the hope of unbounded commerce thither is entertained; but that, after all the knowledge which ſucceſſive ages have afforded upon this ſubject, men of general intelligence and cultivation ſhould, in oppoſition to the uſual courſe of human affairs, adopt the fond idea of entering at once into the enjoyment of a new world of commerce, is a moſt ſtriking inſtance of credulity, and of the power which intereſt and imagination united, have to impoſe

upon

upon the underſtanding. The theory of Dr. Adam Smith did not anticipate any ſuch ſudden burſt of new commerce when he pronounced that the "Eaſt Indies "offered a market for the manufactures of Europe, greater and more extenſive "than both Europe and America put together." Eminent as Dr. Smith certainly was in the ſcience of political economy, he was not infallible; his information reſpecting India was very defective and erroneous; his prejudices againſt the Eaſt India Company extreme, and his prognoſtics concerning their Indian Government wholly miſtaken. In the period which has elapſed, of nearly forty years, ſince he firſt publiſhed his work on the *Wealth of Nations*, the endeavours of all Europe and America have made no diſcovery of that immenſe market for European manufactures which, he ſaid, was offered by the Eaſt Indies; yet the ſame doctrine ſeems to be ſtill in the minds of ſome of the Petitioners, who made it a ſerious charge againſt the Company, that its exports to the immenſe regions of the Eaſt do not amount to a fifth of the exports of this country to North America. But as well might it be a matter of charge againſt the merchants of England, that their exports to the great continent of Africa, which contains ſo many millions of inhabitants, leſs influenced by religious prejudices, and more inclined by taſte and manners than the people of the Eaſt to uſe our productions, do not equal their exports to our remaining American colonies. The reaſon is obvious in both caſes; all the North American colonies are the ſame people as ourſelves; live under a climate nearly ſimilar, and have a variety of commodities valuable to us, to exchange: the Africans live under a tropical ſun, are poor, and have little means of purchaſing even ſuch of our manufactures as they would like to uſe. It has been already noticed that the Americans have been in the habit of carrying our commodities into other countries.

A profound obſerver of human affairs, the Preſident Monteſquieu, had, before the time of Dr. Smith, who, however, overlooks his opinion, reaſoned more agreeably to nature and experience on this ſubject. "Although," ſays he, "commerce "be liable to great revolutions, it may happen that certain phyſical cauſes, ſuch "as the quality of ſoil and climate, ſhall for ever fix its character. In the com- "merce which we carry on with India, in modern times, the export of money "thither is indiſpenſable. The Romans carried to India, every year, about fifty "millions of *ſeſterces*. That money, as ours now is, was exchanged for goods, "which they brought back to the Weſt. Every nation which has traded to India "has uniformly carried the precious metals thither, and brought back goods in "return. Nature herſelf produces this effect. The Indians have their arts, which "are adapted to their manner of life. Our wants are eſſentially different from "theirs; and what is luxury to us, never can be ſo to them. Their climate neither "requires nor permits the uſe of almoſt any of our commodities. Accuſtomed "to go almoſt naked, the country furniſhes them with the ſcanty raiments they "wear; and their religion, to which they are in abſolute ſubjection, inſtils into "them an averſion to that ſort of food which we conſume: they, therefore, need "nothing from us but our metals, which are the ſigns of value, and for which "they give in return, the merchandize that their frugality, and the nature of the "country, ſupply in abundance. Ancient authors, who have written upon India, "repreſent the country preciſely ſuch as we now find it, as to police, to manners, "and to morals. India always has been, and India always will be, what it "now is; and thoſe who trade to India, will carry money thither, and bring "none back."

As the Court have, in their Letter of the 13th January 1809, to the Preſident of the India Board, given the ſame views and in ſome detail, on this ſubject, not deriving their opinion from any ſingle authority, but from the broad page of hiſtory and practice, it is unneceſſary for your Committee again to enlarge upon it: but may not the attention of the manufacturers of woollens, metals, cotton fabrics, and potteries, be ſtill called to the habits of the Indian people, the bulk of whom live all their days upon rice, and go only half covered with a ſlight cotton cloth; the rice and cotton both produced by their own ſoil? The earnings of the common labouring claſſes, and conſequently their expences, may be eſtimated, on an average,

average, not to exceed* £4. 10*s.* per man, per annum. They are indolent by nature, frugal by habit, under manifold religious reſtrictions: What demand of the manufactures from Europe is to be expected from theſe? Of the better claſſes few are rich, unleſs thoſe connected with Europeans; and *even theſe*, during a courſe of nearly three centuries, in which they have lived in European ſettlements, have adopted none of our taſtes or faſhions; unleſs, perhaps, in a few articles of jewellery and hardware, looking-glaſſes, and carriages, with the uſe of a mantle of broad-cloth in the cold ſeaſon. As to the North of India, though the climate there be leſs diſſimilar to ours, the people are extremely ſo; and in poor ill-governed countries, where property is inſecure and concealed, what hope can there be of a vent for foreign luxuries? The perſons who now imagine that region to preſent a great field for commerce, have no conception of the difficulty of carrying goods there from the ſea; the delays, expence, and inſecurity that muſt be experienced, when the boundaries of the Company's Government are paſſed; and in finding and bringing back returns, if the European commodities could be diſpoſed of. With reſpect to China, it is not denied that it might, in all probability, take off many of our manufactures, if the Chineſe Government would allow the free diſſemination of them. The jealous reſtrictions of that Government, however, which, though they have been already ſtated, it may be proper to notice again here, prevent their own ſubjects in general from any dealings with Europeans; and it has been ſeen, that the magnificent ſtyle of Lord Macartney's embaſſy, which beſpoke the grandeur of the Britiſh Sovereign, with the refined diplomatic talents of that nobleman, which even ſtruck the Chineſe Courtiers, were incapable of moving the Government to depart in the ſmalleſt degree from its eſtabliſhed policy. If inſtead of the regulated, long experienced organ for European trade, the Company's Canton eſtabliſhment, under whoſe reſpectability, in fact, the Americans were admitted, a ſwarm of unconnected private traders were to be let looſe upon that country, it is altogether probable, that the Chineſe would either ſhut their doors entirely upon them, or contract even the preſent narrow entrance.

If ſo many proofs of want of knowledge on Indian ſubjects did not crowd on your Committee, they might expreſs ſurpriſe at finding any perſons ſtill ſo uninformed, as to hold up the trade carried on by individuals in the time of Cromwell as gainful to the parties, and uſeful to the nation. The fact is now aſcertained to have been notoriouſly otherwiſe. The competition of the traders led them to underſell their exports in India and their imports in England: The Public, indeed, for a little time, got Indian goods remarkably cheap, but the adventurer could not go on; and Cromwell, induced by the repreſentations made to him, in which ſeveral of thoſe very adventurers joined, reſtored the Company, *in order to ſave the Indian trade to the nation.*

Parliament is now told by the Petitioners, that the Private Trade, to which individuals were admitted by the Act of 1793, enlarged by the arrangement of 1802, has ſucceeded, and produced a profit, even whilſt the Company have been trading to a loſs. The Court have very ſubſtantial reaſons to believe, that although ſome articles of Private Trade may at certain times have ſold to a profit, yet that large importations of other articles, both into India and into England, have repeatedly ſold to a loſs, or have remained long on hand for want of ſale.

The nature of this trade ſhould be conſidered; the numerous commanders and officers of the Company's ſhips (a very ſuperior claſs of nautical men) have no adequate proviſion from direct pecuniary allowances; their compenſation has been in the privilege of trade, and a certain allowance of tonnage, freight free. This has generally made them traders; and as they are to look to trade for their emolument, (for but few, comparatively, make money by paſſengers,) they con-

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* In a late ſtatiſtical account of Dinagepore, a province of Bengal, there are ſtatements of the annual expenſes of different claſſes of ſociety; and among them, one of the expenſes of a labouring man with a wife and two children. The amount is only Rupees 22. 10. 11. or near £3 per annum; being at the rate of fifteen ſhillings per head. The article of clothing, for this family of four perſons, is only ſix ſhillings per annum.

tinued to adventure, though often with little fuccefs; and your Committee are affured, that though they pay no freight nor commiffion, being their own agents, they ftill find it, on the whole, a precarious unproductive bufinefs. Now, if thefe men do not fucceed, it can hardly be expected that thofe who have freight and commiffion to pay can fare better.

But it will be faid that other individuals do, neverthelefs, embark in this trade. To this it is to be anfwered, that the manufacturers of Indigo in Bengal, (an article originally promoted and always foftered by the Company,) generally fent their produce to England; and this is a matter of neceffity; becaufe the great bulk of the article cannot otherwife be difpofed of. Again, there is a certain annual amount of acquifition by Europeans in India; and as this, (doubtlefs a large amount in all,) is in one way or another to be remitted to England, merchants in India may find their account tolerably well in taking up fuch money in India; invefting it in goods, and granting bills, at a rate favourable to the drawer, payable from the fales in this country. A fort of new tranfit capital arifes in this way every year, and men may be tempted, occafionally, to feek to make an advantage of it, who would not regularly fix a capital of their own in the trade. There is alfo a third fort of trade from India, which men of large capital fpeculate in when favourable occafions feem to offer; and in this way fometimes cotton piece goods, fometimes cotton wool, fometimes indigo and raw filk have been adventured in. But your Committee fuppofe it to be an undifputed fact, that thefe larger adventures have repeatedly been attended with heavy loffes to individuals, particularly the very great importations of piece goods, exceeding in value two millions fterling in 1802; the large importations of Cotton, and even of Indigo, fince that time; and what may be fufficiently decifive on this head is, that very large quantities of thofe have remained long in the Company's warehoufes without a fale, or uncleared after fale. The following abftract Account will fufficiently exhibit thefe facts:

Value of PRIVATE GOODS from India, remaining in the Company's Warehoufes.

	Sold.	Unfold.	Total.
	£	£	£
On 1ft January 1809 - -	1,576,185	815,000	2,391,185
1810 - -	1,370,958	1,057,760	2,428,718
1811 - -	2,513,761	1,005,000	3,518,761
1812 - -	2,547,668	1,002,932	3,550,600
1813 - -	2,411,259	1,008,000	3,419,259

Of the Sold Goods remaining in Warehoufes 1ft January 1813.

246 Bales Cotton Wool have been in Warehoufe	ten years -	£2,460	
112 - Do. - - -	five - -	1,120	
6,600 - Do. - -	four - -	6,600	
30,000 - Do. - -	three -	300,000	
6,000 - Do. - -	two - -	58,930	
42,958 Bales Cotton Wool, value - - - -			£ 428,510
71 Chefts of Indigo remaining	feven years - -	4,828	
722 - Do. - -	fix - - -	49,096	
424 - Do. - -	five - - -	28,832	
230 - Do. - -	four - - -	15,640	
5,121 - Do. - -	three - - -	358,228	
1,593 - Do. - -	two - - -	108,324	
9,080 - Do. - -	one - - - -	613,838	
17,241 Chefts Indigo, value - - - -			£ 1,178,786
			1,607,296

Piece Goods, imported in 1803, 1804, and 1805.

Remained in Warehoufes in	1809 - -	£ 276,784
Do. -	1810 - -	153,891
Do. -	1811 - -	132,094

But it will ftill be faid, the Private Trade between Europe and India has greatly increafed fince the enlargement of 1793 was granted.

To

To explain this it is to be remembered, firft, that as already ftated, the commanders and officers of the Company's fhips, are in a manner obliged to be traders, and that they have greatly increafed in number fince 1793: they are forced to carry out goods, and therefore to bring goods back; becaufe *in general* fpecie would be a lofing remittance. Secondly, that the number of Europeans in India has been very greatly increafed in India fince 1793. Every clafs has increafed: the civil, military, and medical fervants of the Company; the King's Troops, from a few regiments to twenty thoufand men; the naval fervants of the Crown; ladies, lawyers, free merchants, free mariners, and the mixed race of European defcent, now become a great multitude, who imitate, as far as they can, the fafhions of their fathers. For all thefe defcriptions of perfons, every thing required for ufe or luxury is fent from this country: thus the exports are neceffarily enhanced; and exports being made, returns for them, in the commodities of the country, become neceffary, whether they are fure to anfwer or not.

A brief view of the ftate of the Private Trade between England and India may here be given from the Indian regifters of external commerce, commencing with 1795-6, when the Act of 1793 began to operate in India, to the year 1810-11. But it is to be remarked, that only the Bengal regifters commence in 1795-6: thofe for Madras and Bombay not till 1802-3.

Statement of the PRIVATE TRADE between LONDON and BENGAL, from the year 1795-6 to 1801-2, both years inclufive.

	IMPORTS INTO BENGAL.			EXPORTS from BENGAL.
	Merchandize.	Bullion.	Total.	Merchandize.
	Sa Rs.	Sa Rs.	Sa Rs.	Sa Rs.
1795-6 - -	17,91,623	4,81,538	22,73,161	84,08,800
1796-7 - -	15,49,906	2,33,096	17,83,002	50,79,310
1797-8 - -	11,88,043	3,46,176	15,34,219	69,71,529
1798-9 - -	10,13,105	7,30,209	17,43,314	41,07,834
1799-1800 - -	31,50,696	16,36,405	47,87,101	67,66,649
1800-1801 - -	40,98,360	3,74,112	44,72,472	84,87,336
1801-1802 - -	36,51,650	3,24,019	39,75,669	1,31,97,420
	1,64,43,383	41,25,555	2,05,68,938	5,30,18,878

Statement of the PRIVATE TRADE between LONDON and BRITISH INDIA, from the year 1802-3 to 1810-11, both years inclufive.

	IMPORTS.			EXPORTS.		
	Stores and Merchandize.	Bullion.	Total.	Merchandize.	Bullion.	Total.
	Sa Rs.	Sa Rs.	Sa Rs.	Sa Rs.	Sa Rs.	Sa Rs.
Bengal, in nine years, from 1802-3 to 1810-11	3,35,33,443	52,19,768	3,87,53,211	7,62,87,574	2,540	7,62,90,114
Madras - -	1,14,96,218	50,17,839	1,65,14,057	93,72,303	5,867	93,78,170
Bombay - -	1,48,03,575	29,65,079	1,77,68,654	93,18,775	53,644	93,72,419
Total -	5,98,33,236	1,32,02,686	7,30,35,922	9,49,78,652	62,051	9,50,40,703

This is the comparative ftate of the Private Trade with Bengal and India, in former periods, beginning with 1795-6, and at the prefent time; but the increafe is by no means to be conceived as merely the refult of the enlargement given by the Act of 1793, or afterwards. It is (let it be again obferved) moft materially to be afcribed to the increafe in the number of the Company's commanders and officers, to the neceffity of making returns in goods from India for their exports, to the great increafe of Europeans and their defcendants in India, to the vaft increafe in the culture of indigo, cherifhed by the Company, and permitted to come in their fhips before the Act of 1793; and what the enlargements of that Act, and fubfequent

ſubſequent meaſures have opened the way for, has been occaſional large ſpeculation in cotton, piece goods, raw cotton, and indigo; which ſpeculations have more often failed than ſucceeded. But the great concluſion to be derived from the account of the trade ſince 1793, is this; in all the period of nearly twenty years, from that time to the preſent, in which, undoubtedly, facilities and enlargements never enjoyed before, have been given for private enterprize and adventure, in which the Private Trade has conſiderably increaſed, and on the whole a very ample experiment has been made, *not one new article for the conſumption of the natives of India has been exported*; and little perceivable difference in the few articles of metals and woollens, of which they participated before. This is a very remarkable fact, and ought to make a deep impreſſion on all perſons who in any way intereſt themſelves in this ſubject. Let us not hear of that unfair charge ſo often repeated, that the Company's reſtrictions have prevented perſons from availing themſelves of the privilege held out by public regulations. Would the commanders and officers not reſtrained by high freight, or any uncertainty of getting tonnage, not have carried out articles for the uſe of the natives, if they had found that any ſuch were ſaleable? Would not European reſidents in India, keen merchants, and acquainted with the diſpoſitions and taſtes of the natives, have commiſſioned for ſuch articles, if they had ſeen any vent for them? Would not native merchants, who buy and ſell European commodities, have recommended the importation of things for the natives, if they had ſeen any chance of a ſale? Yet of 54,000 tons allotted for the Private Trade ſince 1793, only 21,806 tons have been actually uſed by private merchants, and theſe filled wholly with commodities for the uſe of Europeans. On the whole then, this may be pronounced a deciſive experiment, a deciſive proof that there is no opening, nor any material opening to be expected, for the ſale of European articles for the uſe of the natives of India.

Of the Import Trade from India on private account, ſince 1793, after what has already been ſaid, it may be ſufficient to preſent the following Abſtract:—

IMPORTS FROM INDIA IN PRIVILEGE TRADE.

	Piece Goods.	Raw Silk.	Cotton Wool.	Indigo.	Sugar.	Saltpetre.	Pepper.	Drugs.	All other Articles.	Total.
	£	£	£	£		£	£	£	£	£
1793-4 -	83,439	34,938	- -	47,038	12,465	- -	- -	3,830	- -	181,710
1794-5 -	296,098	17,069	11,054	105,346	6,286	32,706	- -	1,320	- -	469,879
1795-6 -	134,046	3,058	5,693	235,013	8,610	13,084	- -	10,283	- -	409,787
1796-7 -	319,053	3,315	30,148	273,654	15,525	17,169	- -	19,885	- -	678,749
1797-8 -	167,210	3,684	67,674	283,893	77,594	33,527	- -	13,200	- -	642,782
1798-9 -	214,616	- -	38,109	440,275	105,200	13,168	- -	61,484	8,810	881,662
1799-800	295,658	- -	445,413	782,449	94,959	- -	18,077	102,804	7,779	1,747,139
1800-1 -	197,732	53,009	395,372	491,472	222,118	12,483	40,041	130,009	24,736	1,566,972
1801-2 -	394,890	36,660	142,480	636,046	36,172	62,326	70,400	151,354	193,889	1,724,217
1802-3 -	861,872	37,588	180,915	789,314	41,424	101,871	120,673	206,054	246,870	2,586,581
1803-4 -	884,467	44,963	67,006	602,582	44,643	18,495	37,488	142,858	18,232	1,860,734
1804-5 -	673,787	65,218	93,242	811,214	65,391	11,220	33,718	92,479	6,781	1,853,050
1805-6 -	633,911	12,184	18,201	939,861	- -	- -	1,376	111,875	5,564	1,722,972
1806-7 -	164,111	165,839	122,072	549,871	- -	- -	572	24,230	2,067	1,028,762
1807-8 -	69,314	178,128	125,636	1,434,238	9,171	- -	19,918	90,506	4,774	1,931,685
1808-9 -	18,199	89,085	158,032	510,406	- -	- -	- -	19,372	2,135	797,229
1809-10 -	64,918	12,780	208,190	764,203	- -	- -	- -	62,491	16,826	1,129,408
1810-11 -	48,043	85,498	550,078	1,382,767	10,827	1,982	38,533	58,791	22,813	2,199,332
1811-12 -	149,079	90,335	257,545	425,074	20,924	89	19,921	178,366	27,690	1,169,023
Total -	5,670,443	993,351	2,916,860	11,504,716	771,309	318,120	400,717	1,481,191	588,956	24,585,673

IMPORTS

IMPORTS FROM INDIA IN PRIVATE TRADE OF COMMANDERS AND OFFICERS.

	Piece Goods.	Raw Silk.	Cotton Wool.	Indigo.	Sugar.	Saltpetre.	Pepper.	Drugs.	All other Articles.	Total.
	£	£	£	£	£	£	£	£	£	£
1793-4 -	98,190	- -	37,921	218,841	5,054	- -	5,280	76,640	3	441,929
1794-5 -	162,967	- -	- -	140,974	9,834	- -	- -	60,093	- -	373,868
1795-6 -	127,146	- -	- -	202,218	3,807	29	2,593	121,823	915	458,541
1796-7 -	55,303	- -	- -	148,659	1,324	- -	11,163	57,453	910	274,812
1797-8 -	25,254	- -	21,740	141,506	499	- -	- -	96,389	7,772	293,160
1798-9 -	29,499	- -	11,334	266,176	6,197	- -	1,768	129,372	3,715	448,061
1799-800	40,077	1,034	10,538	226,708	4,140	3,060	8,041	64,990	12,220	370,808
1800-1 -	91,387	46,615	8,889	280,886	17,332	- -	4,378	50,222	36,710	546,419
1801-2 -	34,965	274	- -	168,588	7,211	97	12,501	41,326	3,465	268,427
1802-3 -	207,799	- -	8,151	89,261	827	- -	18,367	102,530	29,117	456,052
1803-4 -	174,848	11,164	- -	100,052	924	- -	8,388	18,411	1,516	315,303
1804-5 -	180,034	60,233	593	269,926	- -	1,058	7,471	5,819	45,852	570,986
1805-6 -	138,089	32,044	7,636	452,997	- -	144	7,395	84,445	5,360	728,110
1806-7 -	36,401	86,231	19,485	224,515	135	14	980	47,529	9,556	424,846
1807-8 -	42,229	74,902	18,104	419,580	- -	377	- -	45,960	16,724	617,876
1808-9 -	47,334	12,696	35,220	300,152	- -	48	271	83,503	41,379	520,603
1809-10 -	12,646	90,433	22,021	231,735	- -	156	4,762	66,414	5,108	433,275
1810-11 -	76,335	121,695	7,626	360,180	1,602	194	17,664	91,678	13,422	690,396
1811-12 -	51,112	148,867	- -	47,637	- -	28	1,398	60,494	19	309,555
Total -	1,631,615	686,188	209,258	4,290,591	58,886	5,205	112,420	1,315,091	233,773	8,543,027

SHORT ABSTRACT:

Total Privilege - - - - -			£24,585,673
Private Trade - - -			8,543,027
			£33,128,700
Which contained Indigo - -	£11,504,716		
	4,290,591		
		£15,795,307	
Cotton - -	2,916,860		
	209,258		
		3,126,118	
			18,921,425
All other Articles - - - -			14,207,275

It may be proper to point out to attention the great proportion which the articles of indigo and cotton bear to the whole of thefe imports; and, likewife, to refer to the great quantities of thefe two articles, which, it has already appeared, remain ftill in the Company's warehoufes, either unfold or uncleared. Of the practicability of enlarging the imports into this country, of Indian production, fit for the European market, it was formerly ftated by the Court, that the diligence, not only of the different Eaft India Companies of Europe, but of individual Europeans trading through the whole extent of the Indian Seas, has been excited during three centuries, to difcover articles which might be profitably exported to Europe; and after all the experience thus acquired, particularly in the prefent day, when the coafting and internal trade of India has been greatly enlarged, it is not reafonable to

to be aſſumed, upon merely theoretical ideas, that there is any ſource of materials raw or manufactured, in India, yet undiſcovered, by which the imports from India into this country can be profitably augmented; and with reſpect to thoſe articles which may now be conſidered as the ſtaples of India; namely, cotton piece goods, raw ſilk, indigo, raw cotton, and ſugar; the demand for the firſt is reduced and limited, by the vaſt growth and excellence of the cotton manufactures of Britain and Europe; the ſecond, to whatever extent demanded, can be brought home in the ſhips of the Company; the third, already imported to an extent that nearly ſupplies the conſumption of Europe, may alſo eaſily be carried home in the ſame channel; and the article of raw cotton, brought from a great diſtance, at an unavoidably high freight, which renders it incapable, when this country is engaged in war, and North America and Portugal at peace with us, of entering into competition with the cottons of Georgia and Brazil, both ſuperior in quality, and brought to this market more expeditiouſly, to meet the fluctuations of price and demand, and at a far cheaper rate of freight. As to ſugar, if it could be imported to this market, ſo as to rival the produce of our Weſt India colonies, which it cannot be in time of war, ſurely this is not a trade which could be, on the whole, profitable to the nation; and no other great article of Indian produce has ever been thought of, except hemp, of which the culture is ſtill in an early ſtage in India, not capable of ſtanding a competition with Ruſſia, whenever our intercourſe with that country is open. It is in this ſtate of things, when the Company cannot find vent for more exports in the Eaſt; when their warehouſes are filled with goods from the Eaſt, for which there is no demand; and when they ſuffer from the continental reſtrictions in common with all His Majeſty's ſubjects, that the Petitioners, whoſe chief complaint is of general ſtagnation of trade, cenſure the Company for not enlarging theirs.

Ninthly. The demand of a full and entire freedom of trade to the Eaſtward of the Cape of Good Hope, including China and all the countries within the Charter of the Eaſt India Company.

Such are the views of the Petitioners, profeſſedly no leſs than a complete ſubverſion of the fabric of the Eaſt India Company, and all the great commercial eſtabliſhments connected with it; involving alſo the hazard of the political intereſts of the Britiſh empire, Indian and European. Certainly, it muſt be preſumed, the Petitioners expect ſuch advantages to follow from all theſe changes, as ſhall compenſate for the immenſe ſacrifices which they require; but your Committee hope it has ſufficiently appeared, from the preceding diſcuſſion, that all ſuch expectations are illuſory and vain. If, however, they are not indeed the offspring of ſanguine theories, but the reſult of ſober rational conſideration, might not the ſame ſobriety of thought be expected to pay an equitable regard to the ruin which would be inflicted on exiſting intereſts, and to look to ſome ſuitable proviſion againſt the poſſible contingency of final diſappointment. Yet theſe important objects ſeem to have received no adequate attention. Againſt the alledged danger of exceſſive ſpeculation, (a danger which is in fact, a public concern), it is argued, " that the " enterpriſe of individuals is uniformly limited by their means and ſucceſs." But if they involve all their friends, and ſink in their attempts, and this ſhould be the caſe of many, would not the reſult be a general calamity? The argument of the Petitioners aſſumes, that the new trade will be finally ſucceſsful; but the foregoing review deprives them of all right to go upon this ſuppoſition.

For the deep injuries which all the London eſtabliſhments connected with the Eaſtern trade would receive, there is abſolutely no relief or reparation of any kind adverted to. And for the Company, they are told firſt of their wealth, knowledge, and experience (all of which have been before diſparaged), as enabling them to oppoſe, unaſſiſted, private efforts; that if they can carry on trade to greater advantage than individuals they have nothing to fear, and that they will reap their reward in competition. All this is particularly applied to the China trade, which is not a new trade, nor, as has been ſhewn, either ſuſceptible of increaſe, or likely to be preſerved at all as a general trade. The transfer of it to other hands would add nothing to the nation, whilſt the entire benefit of it is

neceſſary for the ſupport of the political intereſts of the Company. Secondly; it is propoſed, that for indemnifying and remunerating the claims of the Company, they "ſhall have a fair and equal impoſt on the trade in queſtion." If the trade and rate of impoſt were both likely to be conſiderable, which your Committee ſee no reaſon to ſuppoſe, the idea of an indemnification for the whole by giving afterwards a part (and probably a ſmall part), can hardly be treated as a ſerious idea.

But for the detriment which the Company in their political capacity might ſuſtain, for all the ill conſequences that might enſue to the government and immenſe population of India, no proviſion whatever is propoſed. And againſt an entire failure of the vaſt proſpects now ſo ſanguinely entertained, this conſolation is at laſt adminiſtered, that "the very worſt that can occur, in the event of" the abandonment of the trade by the Public, would be, *that matters might "return "again to their preſent ſtate."*

But can it be ſeriouſly ſuppoſed, that after the fabric of the Company and its immenſe dependent and connected eſtabliſhments in England, in India and China, ſhould have been ſet aſide and left to decay and ruin; when India ſhould have been laid open, and the China eſtabliſhment ſuperſeded, and ſo much capital ſunk, that things could be brought back to their former ſtate. The poſſibility of ſuch a mighty convulſion, and the eaſe with which it is contemplated by the Petitioners, may be ſufficient to excite a ſalutary fear of the rage of theory, ſpeculation and innovation, may ſuggeſt the prudence of ſtopping ſhort of the precipice to which they would conduct us; of at leaſt reſting at ſome point, ſo far ſafe, as not to expoſe the whole of the empire, Indian and European, to the terrible alternative here brought into view. A great extenſion of the trade to or from the Eaſt, the object for which ſuch dangers are to be run, is ſhewn in the preceding pages to be impracticable; and it has been alſo ſhewn, that in the proſecution of the attempt to obtain it, the intereſts of Britiſh India, and of the finances of this country, would be endangered. But if an experiment is ſtill required to be made in the vaſt continent of Hindoſtan, and its adjacent iſlands, (for to puſh the experiment into China, would be to riſk the trade of that country and all its advantages, without the chance of any benefit), the means of making a large ample experiment, in which the whole nation may participate, through the port of London, are now offered; means which ſhall give the faireſt opportunity to aſcertain the practicability of extending the trade, without breaking down preſent eſtabliſhments, or expoſing the Empire, in caſe of failure, to the moſt diſaſtrous conſequences. At the ſame point, therefore here deſcribed, your Committee humbly hope the wiſdom of His Majeſty's Miniſters and Parliament, will ſtill ſee fit to reſt.

(Signed) Hugh Inglis.
Robt. Thornton.
Jacob Bosanquet.
Wm. F. Elphinstone.
Theophilus Metcalfe.
Joseph Cotton.
Charles Grant.
George Smith.
Edward Parry.
Sweney Toone.
William Astell.

LETTER

LETTER from the Chairman and Deputy Chairman, to the Right honourable the Earl of Buckinghamſhire, alſo noticed in the preceding Minute.

My Lord, Eaſt India Houſe, 10th February 1813.

BY the deſire of the Court of Directors of the Eaſt India Company, we have the honour to ſubmit to your Lordſhip a Report of the Committee of Correſpondence, and reſpectfully to entreat your ſerious attention to it.

It contains an anſwer to the matter of the Petitions which were laſt ſeſſion preſented to the Houſe of Commons againſt the renewal of the Company's Charter, and particularly to thoſe arguments to which your Lordſhip was pleaſed to refer us in ſupport of the claims of the out-ports to be opened to the import trade from India and China; it alſo enters into a review of all the principal queſtions of a commercial nature which have been agitated by thoſe perſons who demand the abolition of the Company's excluſive privileges; and in this Minute, my Lord, the Court hope you will find the following poſitions, among many others, well eſtabliſhed.

Firſt, That the Petitioners have not correctly deſcribed the preſent ſtate and effects of the Company's excluſive privileges and trade, nor at all appreciated the evils, political and commercial, which would reſult from withdrawing thoſe privileges, but have arraigned the monopoly, as if it retained all the ſtrictneſs given to it a century ago, as if no conſiderable relaxations had been made in it within the laſt twenty years, and as if ſtill larger relaxations were not now acquieſced in by the Company.

Secondly, That the clamours which have been raiſed againſt the Company, on account of the trade of neutrals, particularly the Americans with India, are wholly unjuſt; that no ſuch trade, unleſs with the Portugueſe, now exiſts, and that the prevention of injury from it is eaſy.

Thirdly, That the Petitioners have by no means obviated the objections advanced by the Court againſt the opening of the out-ports, nor in the leaſt proved the expediency or ſafety of that meaſure; and that the adoption of it would be attended with thoſe dangers which the Court have in their former letters deſcribed: And,

Fourthly, That all the former reaſonings of the Court againſt the practicability of enlarging the conſumption of Britiſh manufactures in India or China, or of extending profitably the imports of thoſe Countries into Britain, are confirmed by the reſult of the large experiment which has actually been made by private Merchants and Traders in the courſe of near twenty years paſt, from which experiment accurately recorded, it appears that *not one new article for the conſumption of the natives of the Eaſt*, has in all that time been ſent from Great Britain.

And from this very important fact, new perhaps to your Lordſhip and the public, though long exiſting in the records of the Company, the Court of Directors join with their Committee of Correſpondence, in hoping that as the views of the Petitioners are unlimited, going in the firſt place to the ſubverſion of all the exiſting eſtabliſhments in the India and China trade; as this ruin would be immenſe, and the compenſation which would be due for it, would be immenſe alſo; as the political evils which would thence follow, as detailed in the former letters of the Court (evils ſtill to be pre-eminently regarded) would fatally affect the intereſts of the whole Empire; and as the means are now offered of making the fulleſt and faireſt further experiment of the practicability of enlarging the trade to and from India, upon ſo great a ſcale as ſhall admit the whole nation to participate in it; as this is an experiment which may be made without breaking down the preſent ſyſtem and all its eſtabliſhments, as it affords a method of aſcertaining all the good that is attainable, without hazarding the dreadful evils that are otherwiſe to be apprehended; we ſay, my Lord, the Court of Directors do, under theſe momentous circumſtances, earneſtly hope that His Majeſty's Miniſters will

will ſtill ſee fit to ſtop at a ſafe point, which will give the utmoſt reaſonable conceſſions to one ſet of men, whilſt it will preſerve the intereſts of Britiſh India, of all parties now connected with it, and of the Empire at large, from the diſaſtrous conſequences of unbounded innovation.

We have the honour to be, my Lord,
Your Lordſhip's moſt obedient humble ſervants,
(Signed) *Hugh Inglis.*
Robert Thornton.

The Right Hon. the Earl of Buckinghamſhire,
&c. &c. &c.

AT a General Court of the United Company of Merchants of England trading to the Eaſt Indies, held on Wedneſday the 17th February 1813.

MINUTES of laſt Court of the 26th ultimo, were read.

The Chairman acquainted the Court, that it is aſſembled for the purpoſe of taking into conſideration the draft of a Petition to the honourable Houſe of Commons, reſpecting the renewal of the Company's excluſive privileges.

The ſaid Petition was then read.

The Chairman alſo acquainted the Court, that the Court of Directors had prepared the Draft of another Petition to the honourable Houſe of Commons, for payment of a debt due by the public, and for relief by way of loan.

The ſame was alſo read; and,

The Court proceeding to take the above-mentioned Petitions into conſideration,

It was moved, and, on the queſtion,

Reſolved, That the further conſideration of the ſaid Petitions be adjourned till Tueſday next.

The Chairman then acquainted the Court, that the Petitions will lie at this houſe for the peruſal of the proprietors.

The Chairman further acquainted the Court, that the Committee of Correſpondence had prepared a Report on the Subject of the Petitions preſented to Parliament during the laſt Seſſion againſt the renewal of the Company's Charter, which Report was laid before the Court of Directors, and unanimouſly approved by them on the 10th inſtant, and that the ſaid Report is now printing for the information of the proprietors.

The Title of the Report was then read, as was alſo

Draft of a Letter to Lord Buckinghamſhire, tranſmitting Copy of the above mentioned Report, and

Letter from Lord Buckinghamſhire in reply.

The Court then, on the queſtion, adjourned.

Gentlemen, India Board, 15th February 1813.

I HAD the honour of receiving your Letter of the 10th inſtant, encloſing a Report of the Committee of Correſpondence, to which you deſire my ſerious attention; and you may be aſſured that the Report will receive that ſerious and deliberate attention which has been given to every part of the important ſubject to which it relates.

I have the honour to be,
Gentlemen,
Your obedient and faithful humble ſervant,
(Signed) *Buckinghamſhire.*

The Chairman and Deputy
Chairman of the Eaſt India Company.

AT a General Court of the United Company of Merchants of England trading to the East Indies, held on Tuesday the 23d February 1813.

MINUTES of last Court of the 17th instant, were read.

The Chairman acquainted the Court, that it is met by adjournment, for the purpose of taking into further consideration the drafts of the Petitions to the honourable House of Commons, which were laid by the Court of Directors before the General Court on the 17th instant.

The draft of the Petition, praying a renewal of the Company's exclusive privileges, in which some amendments have been inserted, as proposed by the Court of Directors since the last General Court, and now submitted to this Court, was read.

To the Honourable the Commons of the United Kingdom of Great Britain and Ireland, in Parliament assembled;

The humble Petition of the United Company of Merchants of England trading to the East Indies;

Sheweth,

That your Petitioners, in approaching this Honourable House with an application for a continuance of the system by which the relation between Great Britain and the East Indies is now regulated, hope they may be permitted to state the outlines of the History of the Establishment of your Petitioners, as well as their present situation as to their property and rights, their functions and obligations.

That the first Adventurers in a Trade from England to the East Indies, by the way of the Cape of Good Hope, were incorporated by Her Majesty Queen Elizabeth, by her Royal Letters Patent, bearing date the 31st day of December 1601,[1] by the stile of "The Governor and Company of Merchants of London "trading into the East Indies," to whom, by the same instrument, the exclusive right of trading to that Country was granted by her said Majesty for a term of fifteen years from Christmas then last past.

That the Corporate capacity of the said Governor and Company of Merchants of London trading into the East Indies, with the privilege of the exclusive Trade, was renewed, revived and confirmed to them in perpetuity by several Charters or Letters Patent, granted respectively by their Majesties King James the First, King Charles the Second, King James the Second, and King William and Queen[2] Mary, subject nevertheless to a provision, that, if the continuance of any of their Charters, in the whole or in part, should not be profitable to the Realm, that, upon three years warning to be given to the said Company, all the said Charters should cease, determine, and be void.[3]

That the said Governor and Company were empowered by their Charters to establish Factories and Settlements in the East Indies,[4] to have the Government of such Factories and Settlements, and to appoint Governors with a judicial Power to equip and maintain military forces by sea and land for the defence of their Settlements, with the power of making peace and war with any Princes or people who were not Christians, within any places of their trade, to make reprisals from those persons, in those parts, from whom they should sustain any loss or injury, to erect castles, fortifications, forts, and garrisons, and also to coin Indian money.[5]

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[1] Printed Charters, 4to Edition, page 3.

[2] Ibid. 31st May 1609 page 27; 3d April 1661, page 54; 5th October 1677, page 108; 9th August 1683, page 116; 12th April 1686, page 125; 7th October 1693, page 141; 11th Nov. 1693, page 152.

[3] Ibid. 28th September 1694, page 181.

[4] Ibid. 3d April, 13th Charles II. 1661, page 54.

[5] Ibid. 5th October, 28th Charles II. 1677, page 111.

That,

That, by virtue of theſe Powers, the ſaid Governor and Company made Settlements, and built Forts and Factories, at different places in the Eaſt Indies, at a very great expenſe, which Settlements, Forts, and Factories, with ſome territory annexed to them, were purchaſed from the native Princes of the Countries within their limits; the ſovereignty remained with their reſpective Chiefs, but the immediate Government of thoſe acquiſitions was exerciſed by the Company under the powers which are before mentioned to have been granted to them by Charter; and the ſaid Company alſo made a Settlement in the Iſland of St. Helena, on its being abandoned by the Dutch, about the year 1651.

That the property and ſovereignty in and over the Port and Iſland of Bombay having been ceded by the King of Portugal to His Majeſty King Charles the Second, as part of the dowry of the Infanta of Portugal, on her marriage with King Charles, His ſaid Majeſty, by his Royal Letters Patent, bearing date the 27th day of March 1669,[6] granted and conveyed unto the ſaid Governor and Company, their ſucceſſors and aſſigns, the property thereof, with all the rights, profits, territories and appurtenances, and conſtituted them the true and abſolute lords and proprietors of the Port and Iſland, in the moſt unlimited manner, ſaving to His Majeſty, his Heirs and Succeſſors, his Royal Sovereignty of and over the inhabitants there; but His Majeſty granted the authority of immediate Civil and Military Government of the place to the Company; and Saint Helena having been taken from the ſaid Company by the Dutch in the War of 1674, was re-taken by a force belonging to King Charles the Second, who, by his Royal Letters Patent, bearing date the 16th day of December 1674,[7] re-granted that Iſland, with all the rights, profits, territories, and appurtenances whatſoever, unto the ſaid Governor and Company, their Succeſſors and Aſſigns, and His Majeſty conſtituted them the true and abſolute lords and proprietors thereof, ſaving the allegiance due to His Majeſty, His Heirs and Succeſſors; and the ſaid Charter contained powers and authorities for the government and defence of the ſaid Iſland.

That by an Act of Parliament paſſed in the 9th Year of the Reign of His late Majeſty King William the Third,[8] for raiſing a ſum of two millions by loan for the Public Service, it was enacted, that all the ſubſcribers to the ſaid loan ſhould be intitled to traffick and uſe the trade of merchandize in ſuch places, and by ſuch ways and paſſages as were then already frequented, found out, or diſcovered, or which thereafter ſhould be found out or diſcovered, and as they ſeverally ſhould eſteem to be fitteſt or beſt for them, into and from the Eaſt Indies, in the Countries and Parts of Aſia and Africa, and into and from the iſlands, ports, havens, cities, creeks, towns, and places of Aſia, Africa, and America, or any of them, beyond the Cape of Bona Eſperanza to the Streights of Magellan, where any trade or traffick of merchandize was or might be uſed or had, and to and from every of them; and, by the ſaid Act,[9] His Majeſty was empowered to incorporate any of the Subſcribers who ſhould deſire it, to trade with a joint ſtock; and it was enacted,[10] that at any time, upon three years notice, after the 29th day of September 1711, upon repayment by Parliament of the ſaid ſum of two millions, or ſuch part thereof as ſhould be advanced, all the corporations to be created in purſuance of that Act, and the benefit of trade thereby given, ſhould abſolutely ceaſe and determine; and it was enacted[11] that all ſuch perſons as ſhould have a right of trading by virtue of that Act, ſhould have the ſole and excluſive Trade within the limits before mentioned.

That the ſaid Sum of two millions was ſubſcribed within the time limited by the ſaid Act; and thereupon, by a Charter bearing date the 5th day of September 1698,[12] His ſaid Majeſty was pleaſed to incorporate the larger part of the Subſcribers to the ſaid loan, by the ſtile of "The Engliſh Company trading to "the Eaſt Indies;" and, by the ſaid Charters, powers of making Settlements,

[6] Printed Charters, page 80.
[7] Ibid. page 96.
[8] 9 & 10 William III. cap. 44. ſect. 61.
[9] Sect. 62.
[10] Sect. 79.
[11] Sect. 81.
[12] Printed Charters, page 188.

and

and governing them, and maintaining military forces for their defence, were granted to the English Company, similar to those which are before stated to have been granted to the old Company, since distinguished by the appellation of The London Company; the sovereign right, power, and dominion, over all the Settlements to be made, being reserved to His said Majesty.

That the above Act of Parliament and Charter would have operated to have extinguished and determined the corporate capacity and privileges of the London Company, but the Act contained a provision that they should have liberty to trade till the 29th of September 1701, and the London Company having subscribed the sum of £315,000. towards the sum of £2,000,000. to be raised, became entitled to trade in respect of it; and therefore, by an Act of Parliament passed in the 12th year of the Reign of His said Majesty King William the [13] Third, their corporate capacity was continued to them, subject, nevertheless, to be determined upon the redemption of the fund established by the said Act of the 9th of His said Majesty's reign.

That the said English Company acquired and settled several Factories in the East Indies, at a very large expense.[14]

That previous to the Erection of the English Company, the London Company had carried on their Trade with the East Indies in competition with the Portuguese and Dutch and French Companies, and also in competition with unlicensed adventurers from Great Britain who traded there, notwithstanding the exclusive grants which the London Company was in possession of, and which unlicensed adventurers, at times, acquired considerable ascendancy amongst the Native Powers,[15] and, after the incorporation of the English Company, they became also competitors in the said Trade; and no European nation having then acquired any considerable territorial dominion, the whole of the trade by Europeans was carried on entirely at the despotic will and sufferance of the Native Princes of the Mogul Empire; the Government and Officers of which almost constantly shewed their favour and protection to such of the competitors from whom they could obtain the largest presents; and in proportion as they protected one of them, they oppressed the others; as an instance of which, your Petitioners show, that the servants of the English Company in India, by means of corrupt influence with the ministers and servants of the Mogul, procured all the principal Officers and Members of the Presidency of the London Company at Surat, then the chief seat of their trade in India, to be imprisoned for several seasons, and wholly to interrupt their commercial transactions.[16]

That the London Company and the English Company, finding, that if their competition had continued, ruin must have ensued to both, agreed, about the year 1702, to unite together: the union was effected by force of two several Indentures, dated respectively the 22d day of July 1702, one being an indenture tripartite, made between her late Majesty Queen Anne of the first part, and the said London Company of the 2d part, and the said English Company of the third part;[17] and the other being an indenture quinquepartite, made between the said London Company of the first part, the said English Company of the second part, and certain persons, Trustees of Property belonging to the London Company, of the third, fourth, and fifth parts,[18] and by force of an Act of Parliament, passed in the 6th year of the reign of Queen Anne,[19] and of an Award of the Earl of Godolphin, the Lord High Treasurer of Great Britain, dated the 29th day of September 1708.

By the terms of the Union, all the property and rights belonging to both Companies, at home and abroad, including the settlements, forts, factories, and

[13] Private Acts, 12 William III. cap. 28.

[14] Indenture quinquepartite, page 316. They were made over to the United Company for £70,000.

[15] See Annals of the East India Company.

[16] Annals, vol. iii. pages 519. 543. 563.

[17] Printed Charters, page 243.

[18] Printed Charters, page 316.

[19] 6th Anne, cap. 17.

territories,

territories, which they had acquired as is above ftated, were valued, and in confideration of the value of the property of the London Company being paid or allowed in account to them, they, by proper legal inftruments, transferred and made over all their property to the Englifh Company, and the Englifh Company were allowed, in account, the value of their property; and the property and rights of both Companies were thenceforth vefted in them, for the benefit of the united concern; and the London Company having completed the transfer of its property, furrendered its corporate capacity; and from thenceforth the Englifh Company took the ftyle of "The United Company of Merchants of England "trading to the Eaft Indies;" which is now the ftyle of your Petitioners.

Your Petitioners crave leave to draw the attention of the Houfe to fome part of the fubjects of which the property of your Petitioners confifted at the time of the union of the two Companies in 1702, and which they derived by transfer from them, with the cognifance and fanction of Her Majefty Queen Anne, and of the Parliament; amongft other things your Petitioners were then entitled to and poffeffed of the iflands of Bombay and Saint Helena, the fovereignty of which was vefted in the Crown of Great Britain; they were entitled to and poffeffed of the Factories of Surat, Swally, Broach, Amadavad, Agra, and Lucknow; on the Coaft of Malabar, they were entitled to and poffeffed of the Forts of Carwar, Tellicherry, and Ongengo, and the Factory of Callicut; on the Coaft of Coromandel they were entitled and poffeffed of the Fort Saint George, with the Caftle, Fortifications, and Territory thereto belonging, on which a large City called Madras was built, the houfes of which belonging to and paid rent to your Petitioners; Fort Saint David, being a ftrong fort and factory, and about three miles compafs of the circumjacent country, on which feveral fmall towns and villages were erected; the Factories of Codolore, Porto Novo, Pettipolee, Madopollam, and the Fort and Factory of Vizagapatam; in Bengal, your Petitioners were entitled to and poffeffed of Fort William and the Town of Calcutta, with a large territory thereto belonging; the Factories of Ballafore, Coffimbuzar, Dacca, Hughly, Maulda, Rajamaul, and Patna, all thefe poffeffions were fubject to the fovereignty of the Great Mogul; on the Ifland of Sumatra,, your Petitioners were entitled to and poffeffed of York Fort at Bencoolen, and a Factory with a territory of about five miles thereto belonging, and a Factory at Indrapore.

That after the union of the two Companies, your Petitioners conducted themfelves fo as to conciliate and acquire the confidence of the natives of India, and for a confiderable period of time they had no occafion to ufe the right which they enjoyed of maintaining a military force, except for purpofes little beyond thofe of police, and as guards of their fortifications againft furprife; but near the middle of the laft century it became neceffary for your Petitioners to enlarge their military force, and to exercife the power of war, and of making political engagements with fome of the Native Powers, to fupport the Britifh interefts in India, and in order to counteract the intrigues of the French, who had become auxiliaries to other Native Powers, with the defign of driving your Petitioners out of the Eaft Indies, and of excluding the Britifh nation wholly from Afiatic commerce; but by means of the forces raifed and maintained by your Petitioners, and at their fole expenfe, your Petitioners completely defeated thofe objects; fo that, at the conclufion of the war which ended in the year 1763, the French were left without one fingle fettlement, and almoft without influence, in any part of Afia.

In the year 1757, the Nabob of Bengal permitted your Petitioners to eftablifh a Mint at Calcutta; [20] and in the fame year the faid Nabob made over to your Petitioners the property in certain lands in Bengal, generally called the Twenty-four Purgunhas, [21] and the Saltpetre Lands of the whole province of Bahar; [22] and in the year 1758, your Petitioners obtained a grant from the faid Nabob for the free tenure of the Town of Calcutta, difcharged from the rent to which,

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[20] Printed Treaties, page 9. [21] Ibid. page 10. [22] Ibid. page 12.

to that time, it had been fubject;[23] in the year 1759, the Soubah of the Decan made over to your Petitioners the whole of the Circar of Mafulipatam, with eight diftricts, as well as the Circar of Nizampatam and the diftricts of Condavar and Wacalmanner;[24] in the year 1763, the Nabob of Arcot made over to your Petitioners feveral diftricts of land furrounding Madras,[25] which lands have been fince called the Jaghire of your Petitioners; and fuch transfer was confirmed in the year 1765 by the faid Nabob, and alfo by the Great Mogul;[26] in the year 1764, the Mogul made over to your Petitioners the Country of Gauze-poor and the reft of the Zemindary of Rajah Bulwant Sing;[27] in the year 1765, the Great Mogul granted to your Petitioners the country called the Northern Circars;[28] and in the following year fuch grant was acceded to by the Soubah;[29] and in the year 1765, the Great Mogul appointed your Petitioners, in perpetuity, to the office of Dewan of the Provinces of Bengal, Bahar, and Oriffa, fuch appointment being made as a free gift;[30] and by virtue of fuch grant your Petitioners, in the execution of the office, acquired the right of collection of all the revenues of the faid provinces, for their own ufe, free from any account thereof to be rendered.

Your Petitioners crave leave to remark, that no part of the property in any of the forts, factories, or territories, which became vefted in your Petitioners at the time of the union of the two companies, nor any of the territories nor rights laftly herein before mentioned to have been granted to your Petitioners, were acquired by conqueft, but by purchafe, by means of pecuniary payments, or by fervices rendered to, or other confiderations moving the Grantors.

That about the year 1767, a claim was made on the part of the Public to the beneficial intereft in the territorial acquifitions and revenues then lately obtained there, and thereupon agreements have been made from time to time that the poffeffion of fuch acquifitions and revenues fhould remain with your Petitioners upon a participation of the profit of the revenue between the Public and your Petitioners, as mentioned in feveral Acts of Parliament made and paffed at different times fince 1767,[31] without prejudice to the claims of the Public or of your Petitioners.

That, previous to the year 1773, the Government of the fettlements and acquifitions in India was conducted under the uncontrouled direction of your Petitioners, by virtue of the powers of Government which they derived from their Charters; but, ever fince the year 1773, the mode of the immediate Government of India has been regulated by Parliament,[32] and from that time to the year 1784; in purfuance of directions of Acts of Parliament, the Lords Commiffioners of His Majefty's Treafury, and one of His Majefty's Principal Secretaries of State, in their feveral departments, were made acquainted with the Correfpondence and Orders fent to and received from India by your Petitioners, in any way relating to the management of the revenue, or civil or military affairs and government of your Petitioners in that country; and from the year 1784 to the prefent time, all acts, operations and concerns, which in any ways have related to or concerned the Civil or Military Government or Revenues of the territories and acquifitions in the Eaft Indies, have been placed under the fuperintendence and controul of certain Commiffioners appointed by His Majefty, in purfuance of Acts of Parliament paffed for that purpofe;[33] and your Petitioners have been reftrained from giving any orders or directions relative thereto, without the concurrence of the faid Commiffioners; and in cafes in which the faid Commiffioners have been of opinion that the fubject matter of any of their deliberations, concerning the levying war or making peace, or treating or negotiating with any of the native Princes or States in India, communicated in Orders to any of the Governments in India,

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[23] Printed Treaties, page 23.
[24] Ibid. page 347.
[25] Ibid. page 348.
[26] Ibid. page 362.
[27] Ibid. page 37.
[28] Ibid. page 361.
[29] Ibid. page 367.
[30] Ibid. page 43.
[31] 8 Geo. 3d. cap. 17; 9 Geo. 3d. cap. 24; 13 Geo. 3d. cap. 64; 19 Geo. 3d. cap. 61; 20 Geo. 3d. cap 56; 21 Geo. 3d. cap. 65; 33 Geo. 3d. cap. 52.
[32] 13 Geo. 3d. cap. 63.
[33] 24 Geo. 3d. cap. 25; 28 Geo. 3d. cap. 8; 31 Geo. 3d. cap. 10; 33 Geo. 3d. cap. 52.

have

have been of a nature to require fecrecy, fuch Orders have been fent through the medium of a Secret Committee of three of the Court of Directors of your Petitioners, according to the provifions in that cafe made by Parliament, without any privity of your Petitioners, or of their Court of Directors, and without any difcretionary authority on the part of the members of fuch Secret Committee.

That between the period when fuch claim as herein-before mentioned was firft made, on the part of the Public, to the territorial acquifitions in the Eaft Indies, and the Year 1793, a further acquifition of territory was made in India.

That the Term heretofore granted to your Petitioners in the exclufive trade to the Eaft Indies, being about to be redeemed in the year 1794, an Act of Parliament was made and paffed in the 33d year of the reign of His prefent [34] Majefty; whereby it was enacted, among other things, that the territorial acquifitions in certain former Acts mentioned, together with the territorial acquifitions then lately obtained in the Eaft Indies, with the Revenues thereof refpectively, fhould continue in the poffeffion of your Petitioners during the further term by that Act granted in the faid exclufive Trade; and that [35] your Petitioners fhould have the exclufive Trade within the limits mentioned in the faid Act of Parliament paffed in the 9th year of the Reign of King William the Third, fubject neverthelefs to fuch right of trading as is thereby given to individuals, to be carried on in the manner therein mentioned, and fubject to a provifo to determine fuch right at any time, upon three years notice to be given by Parliament, after the 1ft day of March 1811, upon the expiration of the faid three years, and upon payment made to your Petitioners of any fum or fums which, under the provifions of any Act of that Seffion of Parliament, fhould or might, upon the expiration of the faid three years, become payable to your Petitioners by the Public, according to the true intent and meaning of fuch Act; but it was enacted,[36] that nothing in that provifo, or in any provifo in the faid Act in the 9th year of King William the Third, in the faid Charter of the 5th of September, in the 10th year of his reign, or in any other Act or Charter, fhould extend to determine the Corporation of your Petitioners; and, by the faid Act,[37] certain appropriations were made of all the profits arifing from the Territorial Acquifitions and Revenues in India, and alfo from the fale of goods, and all other profits of your Petitioners in Great Britain, during the time of the exclufive Trade thereby granted to your Petitioners.

That the notice required by the laft mentioned Act hath been given by the Speaker of your honourable Houfe, for determining the exclufive Trade of your Petitioners on the 10th day of April 1814.

That fince the paffing the faid laft mentioned Act, a further acquifition of Territory and Revenue in India has been made, and is now in the poffeffion of your Petitioners; and your Petitioners alfo fhow that they have taken all the Forts and Factories which belonged to the French, Dutch, and Danes in Hindoftan; and your Petitioners are now in poffeffion as well of the Territories mentioned in the faid laft-mentioned Act of Parliament as of thofe which have been fince acquired, and the Britifh Dominions in India, without a rival, or any enemy, now confift of a very large proportion of the Peninfula, befides very extenfive Provinces in the North of Hindoftan, and contain, as it is fuppofed, above fifty millions of inhabitants, and have been acquired wholly at the expenfe and rifk of your Petitioners, without any charge whatever to the Britifh Exchequer, for, though land forces belonging to His Majefty have been employed, in conjunction with the forces raifed by your Petitioners, yet the whole of the expenfe of fuch forces of His Majefty, whilft they have been employed in fuch fervice, as well as for their paffage out and home, and in recruiting, has been defrayed by your Petitioners; befides which, for a confiderable length of time, your Petitioners furnifhed or paid for victualling and ftores for the ufe of His Majefty's fhips of war in the Eaft Indies.

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[34] 33 Geo. 3d. cap. 52. fect. 1.
[35] Sect. 71.
[36] Sect. 74.
[37] See Sect. 107. to 112.

Your

Your Petitioners beg leave humbly to reprefent, that the welfare and happinefs of the inhabitants of the Countries which have come under the care of your Petitioners have been their chief object, and they have reafon to hope and believe that the amelioration of the condition of the people is moft eminently confpicuous, when Hindoftan was firft vifited by Britifh Traders, and long after the union of the two Companies before-mentioned, when the oppofition, not only of Britifh Subject againft Britifh Subject, but of European againft European, and the corrupt and impolitic attempts which were conftantly made by one party to raife the defpotic power of the Indian States againft other parties, had in fome meafure ceafed, the character of the Native governments, as well as of the Native individuals, remained unchanged, the ill ufage which they had received from individual and affociated Europeans roaming about without refponfibility or controul, raifed a jealoufy and animofity againft every ftranger without diftinction, and the internal ftate of the Country, where juftice and injuftice were equally articles of traffic to be bought and fold, left the rights of perfons and property entirely at hazard.

Your Petitioners found the Country divided into many different States, all feudatory to the Mogul, who was confidered the fole proprietor of the whole; thefe States were again divided among Zemindars and Chiefs, with other defignations, under whom there were fub-infeudations, down to the Ryots, who were the actual cultivators of the foil, and no man held any land, and fcarcely a crop, but at the will of another of fuperior power; there were no effectual means of refort for the fupport of any right, or the avenging any wrong, and the will of the ftrongeft was the only practical rule of conduct which was eftablifhed; under the management of your Petitioners, the fcene has been entirely changed; by fixing certain permanent and invariable rents, a new and valuable property has been, as it were, created to the Natives; by the eftablifhment of Courts of Juftice, and the appointment of liberal emoluments to thofe who devote their lives to the ftudy and adminiftration of Laws adapted to the ufages, cuftoms, and religions of the inhabitants, they have removed temptations to corruption, and have provided the means for the inhabitants to be infured in the enjoyment of property thus created for them; Courts of Criminal Judicature have alfo been univerfally erected, which have effectually provided for perfonal liberty and fecurity; by the alterations which have taken place, the practical means of foreign Commerce, of Traffic from port to port and internally, have been facilitated, very greatly to its increafe.

That it may not be fuppofed that your Petitioners have affumed merits which they are not entitled to, they beg leave to refer to the Fifth Report of the Select Committee of this Honourable Houfe on the Affairs of the Eaft India Company, which was prefented to this Honourable Houfe on the 28th day of July laft.

Notwithftanding the ameliorated condition of the Natives of India under the Government of your Petitioners, to which they have been accuftomed, yet the tranquillity of the Country is not maintained by a phyfical force, but chiefly by moral influence, and in a great degree even by prejudice; any change would alarm them, and their fubmiffion to Britifh authority would be greatly endangered by an unreftrained refort of Europeans in fearch of wealth, either by Commerce or other means, at diftances from the principal feats of Government, or in fuch numbers at thofe feats as to be beyond the controul of the Governors, and by the refort of perfons who may not have fuch connection with (and intereft to uphold) the authority of the Ruling Power, as will infure the utmoft care in their conduct, not only not to irritate, but pofitively to conciliate the Natives with whom they may have dealings.

Your Petitioners beg leave to reprefent, that their Military Eftablifhments, Artillery, and Marine, have been of other moft important advantages to this nation, in as much as, in the feveral European Wars in which this Society has been engaged fince the Peace of Aix la Chapelle, the Forces of your Petitioners alone, or in conjunction with the Forces of His Majefty at the expenfe of your Petitioners, have taken all the Settlements belonging to the Europeans on the Continent of

of India with whom this Nation has been at war, and fuch captures have formed part of the price of National Peace, without any compenfation to your Petitioners; and that, upon the fuggeftion of His Majefty's Minifters, your Petitioners fent a large Force from India into Egypt, by the Red Sea, to co-operate with His Majefty's Forces againft the French, in the year 1801; and, in the prefent War, by expeditions equipped from India, all the Poffeffions of the French, Dutch, and Danes, in the Eaft, have been conquered; and though, as to fuch of thofe expeditions the accounts of which have been fettled, your Petitioners have been allowed confiderable fums on the part of the Public, yet fuch allowances were calculated to reimburfe only a part of the vaft expenditure actually advanced by your Petitioners for thofe great national objects.

Your Petitioners humbly hope they will be found to have been as attentive to, and as fuccefsful in, the cultivation of the Trade with China as they have been with refpect to the concerns in India; the peculiarities of the Chinefe, and the delicacy attendant upon any intercourfe with them, muft be too well known as matter of hiftory to every Member of this Honourable Houfe, to require any ftatement of it in this Petition; it will be fufficient to inform this Honourable Houfe, that it is but little more than one hundred years fince any trade whatever has been carried on between this Country and China; and that at this time about 46,000 tons of fhipping are employed by your Petitioners therein, and that your Petitioners entertain in China, for the purpofes of that trade, a regular eftablifhment of fervants called Supra Cargoes, and others of inferior ranks, whofe bufinefs it is to keep up a connection with the few merchants, or more properly mercantile officers of the Chinefe Government, who are deputed to manage on the part of the Chinefe all the commercial tranfactions between Great Britain and China; by this means the trade has been cherifhed and preferved through, and notwithftanding many perils arifing from circumftances apparently trivial, and the fatal confequences of which could only have been averted by the moft delicate conduct, and by the whole commercial concerns of the Britifh Nation being confided to one united authority.

Your Petitioners feel it incumbent upon them to fubmit to this Honourable Houfe, an abftract of their financial operations fince the arrangement contained in the above mentioned Act of the 33d year of the reign of His prefent Majefty was made; at that time the capital ftock of your Petitioners amounted to the fum of £5,000,000; fince that period, in purfuance of an Act paffed for that purpofe, the capital ftock has been encreafed by the fum of £1,000,000 contributed by the fubfcribers at the rate of £200 per cent.

At the time when the Act of the 33d of His Majefty[38] was paffed, fundry debts incurred in the defence and protection of the Britifh poffeffions in India, bearing intereft, were then due and owing by your Petitioners, amounting to £7,000,000 fterling, or thereabouts; fince that period the faid debt has been very much increafed for the fame purpofe, and great part of fuch increafed debt was raifed upon loans, by the terms of which the creditors were intitled to the option of being paid off in India or by Bills of Exchange to be drawn upon London, and upon fuch obligations becoming due, your Petitioners have been obliged to provide out of their funds and credit at home the means of paying Bills of Exchange drawn upon them fince the year 1807, to the amount of £10,902,924 fterling, in difcharge of Indian debt, and the debt contracted for political purpofes, now remaining due in India, according to the lateft advices from thence, amounts to the fum of £26,000,000 or thereabouts, over and befides the fum of £3,000,000 reduced three per cent. annuities, and the fum of £1,400,000 confolidated three per cent. annuities, on which the fum of £2,500,000 fterling was raifed, in purfuance of an Act paffed in the laft Seffion of Parliament, to enable your Petitioners to pay Bills of Exchange, which had been drawn upon them from India, in part difcharge of the Indian debt, as herein-before mentioned, and alfo over and befides the fum

[38] 33d Geo. 3d. cap. 52. fect. 108.

of £2,202,000, or thereabouts, now owing by your Petitioners upon Bills of Exchange not yet due, but payable in London, which have been drawn in India, in further part discharge of the said Indian debt.

That the revenues of the territorial acquisitions in India, in the possession of your Petitioners, in the year 1793 amounted to the annual sum of £8,000,000 or thereabouts, and by the latest account and estimates received from the East Indies, the revenues of the territorial acquisitions now in the possession of your Petitioners, amount to the annual sum of £16,000,000 or thereabouts, but the civil and military expences of the Government have proportionably increased.

That the profits of the trade carried on by your Petitioners since the year 1793, to the latest period to which the accounts can be correctly estimated, have amounted to the sum of £6,289,405, over and above the commercial charges of your Petitioners, and beyond the payment of interest on their Bond Debt in England, and besides the dividends from time to time paid on the Capital Stock of your Petitioners, according to the directions of the said Act, passed in the 33d year of the reign of His present Majesty.

That in 1793 a Bond Debt in England of your Petitioners amounted to the sum of £3,200,000, or thereabouts, since which, by an Act passed in the year 1797,[39] they have been empowered to raise money by increasing their Capital Stock, by the amount of £2,000,000; but your Petitioners have not availed themselves of that resource, but, under the authority of several Acts of Parliament,[40] they have raised money upon bond, and their Bond Debt in England now amounts to the sum of £5,409,325, but your Petitioners are entitled by law to issue bonds to the amount of £7,000,000 in the whole.

That the annual interest upon the present amount of the Indian Debt now amounts to the sum of £1,600,000, or thereabouts, and as by the terms of the loans on which such money was raised, the creditors are entitled to receive their interest by payment of money in India, or by bills of exchange to be drawn and made payable in London, at rates favourable to the holders, and judging from the amount drawn within the last half year, your Petitioners estimate that the annual sum of £1,500,000, or thereabouts, will be necessary to be provided annually in London for the payment of such interest, besides which, although the several sums of money payable in respect of the Reduced and Consolidated Annuities, (on which the said sum of £2,500,000 was raised by virtue of the said Act of the last Session of Parliament) for Interest and Sinking Fund attendant thereon, amounting altogether to the annual sum of £242,820, are expressly charged upon the revenues of the territorial acquisitions in the East Indies, yet your Petitioners are bound by the said Act, at all events, to pay such sums of money into the Bank of England, in manner in the said Act mentioned; and your Petitioners will also be obliged to provide, in London, the interest and other charges which may be attendant upon any further Loan which may be necessary, in consequence of the said further sum of £2,202,000, part of the Indian debt, for which Bills of Exchange, drawn upon your Petitioners, are now outstanding; and it is estimated that political charges (including payments to be made to the Creditors of the late Nabobs of the Carnatic) consequential upon the Indian territory, to the annual amount of £910,000, or thereabouts, will be to be defrayed in England; and as, from the best estimates which can be made, there appears but little reason to expect (without a considerable reduction of the military expences of your Petitioners in India) that there should be any sufficient surplus revenue to be remitted for those Purposes, your Petitioners apprehend that the punctual discharge of the pecuniary obligations of your Petitioners in relation thereto, as well as the payment of the Interest upon their Bond Debt in England, and the Dividends on their Capital Stock, will depend most essentially upon the trade to be carried on by your Petitioners.

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[39] 37 Geo. 3. cap. 31.

[40] 34 Geo. 3. cap. 41; 47 Geo. 3. cap. 41. sect. 2. 51.

That,

That, in purfuance of feveral Acts of Parliament fince 1807,[41] your Petitioners have increafed their Bond Debt in England by the fum of £2,409,325; and in purfuance of an Act of Parliament paffed in the 50th year of the Reign of His prefent Majefty, your Petitioners have borrowed Exchequer Bills of the Public to the amount of £1,500,000; and by virtue of an Act paffed in the laft Seffion, as herein-before mentioned, your Petitioners raifed on Loan, by way of Reduced and Confolidated Annuities, the fum of £2,500,000; and all fuch fums of money, together with the faid fum of £6,289,405, which has arifen from the furplus profits of the trade carried on by your Petitioners, as herein-before mentioned, have been abforbed by payment of debts and expences incurred in refpect of the territorial acquifitions in India.

That in the expeditions on the part of the Britifh Nation againft the European Enemies of His Majefty, and by advances for His Majefty's Navy and other public fervices, your Petitioners have incurred very large expences, which they fubmit they are entitled to be reimburfed by the public; and your Petitioners compute, that after allowing fuch fum as your Petitioners are indebted to the public for the loan of Exchequer Bills, to the amount of £1,500,000, as herein-before mentioned, purfuant to an Act for that purpofe, paffed in the laft Seffion of Parliament,[42] and after allowing fuch fums as your Petitioners are indebted to His Majefty for troops in India and for recruiting, the fum of £2,294,426, at the leaft, will be found due to your Petitioners.

Your Petitioners have now exhibited, they hope, with candour, the real fituation of their affairs, and of the Britifh trade and relations with the Eaft Indies and China; your Petitioners do not prefume to offer an opinion whether any other arrangements than thofe which have taken place would have led to refults equally or more advantageous than have arifen to their Country, but they apprehend it to be quite undeniable that the privileges entrufted to your Petitioners have produced a large quantity of pofitive benefit to the Britifh Empire, and they fubmit that any material change in the Indian fyftem would be matter of experiment, for which there can be no fufficient data from which its fuccefs can be calculated; your Petitioners feel it to be their duty to exprefs to this Honourable Houfe their fincere opinion that the public intereft cannot be better confulted than by continuing your Petitioners, as the fole organs and channel both for the trade with and the Government of India, upon the principles eftablifhed by the Act of the 33d year of His Majefty's reign, with fuch variations as to the financial appropriations, and in fome other points of detail, as prefent circumftances require, and experience has pointed out; your Petitioners afk not for an exclufive Trade upon the narrow principles of monopoly, for the mere purpofe of commercial gain; they have under their care interefts of a much more extended and liberal nature, which it is their duty to attend to; your Petitioners are ready to become parties to any arrangement which fhall be confiftent with the rights of your Petitioners, and the fecurity of Britifh India, and which will not deprive your Petitioners of the means of fulfilling their pecuniary engagements with the public and individuals, or the performance of the functions which may be continued or allotted to them; they hope they will not be deemed prefumptuous in humbly fubmitting their opinion, confidered and re-confidered, that the opening the Trade with China in any degree would endanger its exiftence altogether; and your Petitioners have at no time contemplated any alteration even in the Export Trade to the Eaft Indies without confiderable doubt and hefitation; but your Petitioners are firmly of opinion that the unreftrained liberty of importation from that Country, otherwife than through the medium of the Eftablifhments of your Petitioners in London, would produce effects which every well-wifher to his Country muft deprecate, and which would put to extreme hazard any pledge on the part of your Petitioners for the good government of India, or the performance of their obligations; your petitioners

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[41] 47 Geo. 3. cap. 41. fect. 2; 51 Geo. 3; 52 Geo. 3. cap. 135.
[42] 50 Geo. 3. cap. 135; 52 Geo. 3.

fubmit

ſubmit that they would not be juſtified in becoming parties to any ſyſtem which, on conſideration, ſhould appear to them likely to prove an illuſion.

As your Petitioners do not venture to anticipate what may be the determination of this Honourable Houſe upon the queſtion hereby ſubmitted to its deciſion, your Petitioners hope that they will be excuſed for humbly ſtating what, in the event of the diſſolution of the preſent ſyſtem, they conceive would be found to be the rights of your Petitioners, as well as their fair pretenſions upon the juſtice and liberality of Parliament; the abſolute right of your Petitioners, for their own uſe, to a conſiderable part of the Forts, Towns, Iſlands, Territories, and Rights which they have acquired abroad, never has been queſtioned, and your Petitioners believe it to be unqueſtionable; and, notwithſtanding the claim made for the Public to other parts of the territorial acquiſitions and revenues of your Petitioners, they entertain a ſtrong hope that the property, as well in thoſe parts which were acquired by conqueſt under the powers of Peace and War lawfully exerciſed by your Petitioners, as in thoſe parts which were otherwiſe acquired, would be found to belong to your Petitioners, in the ſame way as any other property within His Majeſty's Dominions belongs to the owners thereof, ſubject to the ſovereignty and allegiance due to His Majeſty; but even ſuppoſing it ſhould be determined contrary to the ſenſe and expectations of your Petitioners, touching their rights, that thoſe places were not the property of your Petitioners, your Petitioners ſubmit, that in that caſe, if the poſſeſſion were to be aſſumed on the part of the Public, your Petitioners would have a juſt right to reimburſement of the Expences which they have incurred in acquiring and maintaining them, and in making the Fortifications, and Civil and Military Buildings and Works, which your Petitioners have erected and improved upon them, with a compenſation for the ſervices and riſk of your Petitioners during the long time which they have had the poſſeſſion and government of ſuch Territories, under the confirmation of Parliament, and all other charges incurred by your Petitioners relative to ſuch Territories; theſe expences and charges amount to many millions of money; your Petitioners alſo ſubmit, that they have a juſt claim to be reimburſed all the ſums they have paid in diſcharge of debts contracted on account of the Territories, and to be indemnified againſt all other debts in reſpect of them, and which now remain undiſcharged.

Your Petitioners do not queſtion, as an abſtract principle, the right of any of His Majeſty's ſubjects to trade with any part of His Majeſty's dominions; but they humbly ſubmit, that it cannot be contended that any perſons can have a right, except with the conſent of your Petitioners, to uſe the Settlements, Factories, and Seats of Trade, or to avail themſelves of the means and facilities, moral and phyſical, which your Petitioners, at a great expence and riſk, have created or acquired, and now at great current charge maintain, for the purpoſes of commerce and civil intercourſe.

Your Petitioners therefore moſt humbly pray that this Honourable Houſe will take the premiſes into its conſideration, and make ſuch proviſion, as in its wiſdom it ſhall ſee fit, for continuing the Government of the territorial acquiſitions in the Eaſt Indies in your Petitioners, and for ſettling the Trade to the Eaſt Indies and China, and other places, from the Cape of Good Hope to the Streights of Magellan, according to the preſent ſyſtem; or that your Petitioners may have ſuch relief in the premiſes, as their caſe may require.

And your Petitioners, as in duty bound, will ever pray, &c.

It was then moved to amend the ſaid Petition, by leaving out the following words, viz. "Your Petitioners ſubmit that they would not be juſtified in becoming "parties to any ſyſtem, which, on conſideration, ſhould appear to them likely to "prove an illuſion."

And the queſtion being put, that the words propoſed to be left out, ſtand part of the Petition, the ſame was carried in the affirmative.

It

It was then moved, and, on the queſtion,
Reſolved, That this Court approve the above Petition.

The Draft of the Petition to the Honourable Houſe of Commons, for payment of the debt due from the Public to the Company, and for other pecuniary relief, in which Petition ſundry amendments, as alſo propoſed by the Court of Directors ſince the laſt General Court, and now ſubmitted to the General Court, was read.

To the Honourable the Commons of the United Kingdom of Great Britain and Ireland, in Parliament aſſembled;

The humble Petition of the United Company of Merchants of England trading to the Eaſt Indies;

Sheweth,

That loans of very large ſums of money have heretofore been raiſed in India on the credit of your Petitioners, for the defence and protection of the Britiſh poſſeſſions there, by the terms of which loans the creditors were entitled to the option of being paid off in India, or by Bills of Exchange to be drawn upon London, and upon and in conſequence of ſuch obligations becoming due, bills to the amount of £13,104,924. have been drawn, ſince the year 1807, upon your Petitioners, payable in London; and the ſum of £10,902,924. part of the ſum of £13,104,924. has been diſcharged by your Petitioners; and £2,202,000 reſidue thereof, now remains outſtanding; and the larger part of the bills drawn for the ſame will become due previous to the month of March 1814; that, for the purpoſe of enabling your Petitioners to pay the ſaid Bills of Exchange which they have ſo diſcharged, to the amount of £10,902,924. they borrowed Exchequer Bills of the Public to the amount of £1,500,000. in purſuance of an Act of 50 Geo. III. for granting to His Majeſty a ſum of money to be raiſed by Exchequer Bills, and to be advanced and applied in the manner and upon the terms therein mentioned, for the relief of the United Company of Merchants of England trading to the Eaſt Indies; and your Petitioners alſo raiſed a ſum of £2,500,000. upon Reduced £3. per centum Annuities and Conſolidated £3. per centum Annuities, reſpectively transferrable at the Bank of England, in purſuance of an Act of 52 Geo. III. for advancing £2,500,000. to the Eaſt India Company, to enable them to diſcharge part of the Indian Debt.

That, by another Act of 52 Geo. III. to amend an Act of 50 Geo. III. for granting a ſum of money to be raiſed by Exchequer Bills to be advanced and applied in the manner and upon the terms therein mentioned, for the relief of the United Company of Merchants of England trading to the Eaſt Indies, it is enacted, that it ſhall be lawful for the Commiſſioners of His Majeſty's Treaſury, or any three or more of them, to carry to the credit of your Petitioners, in re-payment of the ſums advanced under the proviſions of the ſaid Act of 51 Geo. III. any ſum or ſums of money which ſhould have been advanced or diſburſed by your Petitioners in the Eaſt Indies, for His Majeſty's Navy, or any public ſervices.

That your Petitioners compute, that after allowing, in account, ſuch ſum as your Petitioners are indebted to His Majeſty for the loan of the ſaid Exchequer Bills, that the ſum of £2,294,426. at the leaſt is now due to your Petitioners, in reſpect of money which has been advanced or diſburſed by your Petitioners, in the Eaſt Indies, for His Majeſty's Navy and other public ſervices.

That by virtue of an Act of 37 Geo. III. to enable the Eaſt India Company to raiſe money by further increaſing their Capital Stock, and to extend the Proviſions now exiſting reſpecting the preſent ſtock of the Company to the ſaid increaſed ſtock, your Petitioners are now authorized to raiſe money by increaſing their capital ſtock by the ſum of £2,000,000; but your Petitioners have not raiſed any money in exerciſe of the powers contained in the ſaid Act.

That your Petitioners are now authorized by law to raiſe money in England, upon Bonds, to the amount of £7,000,000; and they have iſſued Bonds to the

amount of £5,409,325. and are at liberty to iſſue further Bonds to the further amount of £1,590,675. and by an Act of 51 Geo. III. to enable the Eaſt India Company to raiſe a further ſum of money upon Bond, inſtead of increaſing their capital ſtock, and to alter and amend an Act of 47 Geo. III. relative thereto, it is provided, that when your Petitioners ſhall have raiſed, under and by virtue of the ſaid Act of 37 Geo. III. and of the ſaid Act of 47 Geo. III. and of that Act, ſuch ſums of money as together ſhould amount to the ſum of £4,000,000. ſterling; from thenceforth it ſhould not be lawful for your Petitioners to raiſe any further ſum of money upon Bond; and all money, which from thenceforth ſhould be raiſed by increaſe of Capital Stock, under and by virtue of the ſaid firſt-mentioned Act, ſhould be applied in diſcharge of the ſaid Bond Debt, until the ſaid Bond Debt created by virtue of the ſaid Act of 47 Geo. III. or of that Act, together with the money to be raiſed by increaſe of Capital as aforeſaid, ſhould be reduced to the ſum of £4,000,000. ſterling.

That, upon an eſtimate of the probable receipts and payments of your Petitioners in England, including, amongſt the receipts the ſaid ſum of £2,294,426, ſo due from the Public to your Petitioners, as herein-before mentioned, it appears that it will be advantageous and neceſſary to the concerns of your Petitioners, that they ſhould be authorized to raiſe the ſum of £2,500,000 on Loan, in a different manner from that in which they may now raiſe money, for the purpoſe of enabling them to diſcharge the ſaid Bills of Exchange, to the amount of £2,202,000, drawn in liquidation of the Indian Debt, to provide for their other current payments, and to enable your Petitioners, as circumſtances may render it adviſeable, to reduce the amount of their Bond Debt, without increaſing their Capital Stock.

Your Petitioners therefore moſt humbly pray, that this Honourable Houſe will be pleaſed to direct the payment of the ſaid ſum of £2,294,426. ſo due by the Public to your Petitioners, as herein-before is mentioned, and to grant to your Petitioners ſuch relief, in the premiſes, as to this Honourable Houſe ſhall ſeem meet.

And your Petitioners, as in duty bound, will ever pray, &c.

It was then moved, and, on the queſtion,
Reſolved, That this Court approve the above Petition.

Drafts of Petitions to the Honourable Houſe of Commons, for leave to preſent the above Petitions, were alſo read and approved.

And it was, on a motion,
Reſolved, That the Company's Seal be affixed to fair tranſcripts of all the ſaid Petitions, and that they be preſented to the Honourable Houſe of Commons accordingly.

The Court then, on the queſtion, adjourned.